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21 NOVEMBER 1988



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# ***JPRS Report***

## **Near East & South Asia**

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# Near East & South Asia

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## PALESTINIAN AFFAIRS

### Various Palestinians Express Views on Provisional Government

44040047a Jerusalem AL-BAYADIR AL-SIYASI  
1 Oct 88 pp 28-33

[Excerpts] Khalid al-Hasan, member of the Fatah movement's Central Committee, said that the PLO is now faced with two approaches—to declare a government-in-exile or to defer the idea again. [passage omitted]

AL-BAYADIR AL-SIYASI, as is its habit in dealing with events which rise to the surface of the political and nonpolitical stage, has considered it appropriate to present the issue of the notion of a Palestinian government to our perseverant people and public opinion as part of its role as a mirror reflecting the pulses and conscience of this people. This poll was held, contains the views of our brother citizens, and we are reproducing it on the pages of AL-BAYADIR AL-SIYASI as an affirmation of the voice of the masses and a record of their positions and reactions.

Shaykh Isma'il al-Jamal (Jericho):

The question which presents itself is, what are the duties the temporary government will perform, and where?

The answer is that the Israeli authorities totally prevent and prohibit dealings with the organization, which is intending to establish a Palestinian state and a temporary state, and all they offer is self-administration which the Palestinians who are in the territory of Palestine under occupation will carry out through figures satisfactory to the Israeli authorities provided that we are under the authorities' supervision, guidance, oversight, and stock-taking as far as they are concerned.

This is in addition to the major country which represents the nation of Israel's view and embraces its position, that is, America, refusing—in the words of its past and present leaders and even those to be elected—insistently refusing to agree to the establishment of a Palestinian nation, whatever its form and size, alongside the nation of Israel.

Therefore there is no reason or need for a nation in exile or a temporary nation until the wherewithal is provided for bringing the cause to secure, safe, and just shores; the Palestinian people regain their rights; and everyone lives in justice, fraternity, equality, security, and peace—this country, which is sacred with the sanctity of the first of the two directions of prayer, the second of the two holy shrines and God's lower throne, in which only God's just law derived from the provisions of His book and the guidance of His prophet Muhammad (may God's prayers and peace be upon him) will be proper, and there will be nothing other than that: "Is it the judgment of

pagandom they are seeking? Yet who is better in judgment than God for a people having true faith?" This is a statement of Almighty God.

Shaykh Muhammad 'Awwad (Gaza):

[Passage omitted] The establishment of a Palestinian government is a blessed step which every Palestinian citizen wants. The establishment of a Palestinian government is no sacrilege, because countries which had labored under colonialism often established such governments, for example the Government of Algeria. [passage omitted]

If this government is established, it must exercise its powers to fill the vacuum arising from the Jordanian step on behalf of the Palestinian people. God brings success.

Aliqs 'Awdah al-Rantisi (Ramallah):

It is certain that ultimately it will be necessary to establish a Palestinian state here, on our territory, but there must not be any processes to hasten anything because our situation is delicate and requires wisdom, farsightedness, and contemplation.

There is no doubt that our leadership is measuring up to the responsibility and evaluating what is most appropriate in adopting any important political decision related to the destiny of our Palestinian people, but I hope that the Palestinian leadership, upon adopting any decision in this regard, will observe unity of ranks so that our home will be unified and united in all its views and positions and all parties will work together in adopting sound, constructive, political views and positions to establish our independent Palestinian nation under the leadership of the PLO, our Palestinian people's sole legitimate representative.

Al-Hajj Rashad al-Shawa (Gaza):

My innate feeling is that the call to establish a Palestinian government will lead toward a further "realignment" of the cards and will increase the "realignment" in determining who is "responsible" before the Palestinian people and international public opinion, a large part of which has recognized the PLO as the sole legitimate representative of our people.

I believe that the PLO must coordinate with the Arab countries directly concerned with the struggle so that it may produce a unified Arab "agency," because I believe and repeat the statement that this cause, while it has concerned the Palestinians to the first degree, remains one which concerns all Arabs and all Palestinians, and it is necessary to get them to participate and bear responsibility, because we cannot bear the responsibility alone in confronting the tremendous force which is working against us and supporting Israel.

Lawyer Fayiz Abu Rahmah (Gaza):



We feel that establishment of a temporary government is a natural procedure in the midst of these changes which have occurred, and we hope that this government's program will be in keeping with the changes that have occurred and that it will be an acceptable, reasonable program so that international circles will accept it and it will help bring about a sound settlement in the Middle East.

Dr Haydar 'Abd-al-Shafi (Gaza):

I am not abreast of the positive and negative features of such a measure so I can not express a view regarding it. The effect of declaring the formation of a temporary government might include the intensification of international pressure on Israel to abandon its hard-line position regarding the natural rights of the Palestinian people and the importance of the holding of an international conference that has jurisdiction. The important thing, in my view, is that the Palestine National Council reassert the organization's readiness to take part in negotiations in the context of an international conference that has jurisdiction on the basis of the recognition in principle of the Palestinians' right to self-determination and the establishment of an independent country and the refugees' rights as the United Nations resolutions have stipulated. Of course such a position, in the event Israel responds to the appeals of truth and logic, will entail the acceptance of the notion of two countries in the short range in the hope of arriving peacefully at the establishment of the democratic secular country in the long range.

Ilyas Furayj (Bethlehem):

The political developments on the Palestinian, Arab, and international stage, as regards the Palestine cause, have come to make it inevitable that the legitimate Palestinian leadership adopt more decisive, clearer positions so that Israel and the people standing behind it will not be left with an excuse for continuing to ignore and disregard Palestinian national demands and rights.

The declaration of the Palestinian nation and its independence and the formation of a Palestinian government with a clear program have become an essential matter, indeed a vital matter for the sake of imparting emphasis to the actual condition of the Palestinian entity which exists in practice.

One of the major conditions for the establishment of such a government is the realization of the greatest amount of agreement over it among all Palestinian forces, or the majority of them at least. As to the type of government, the establishment of a government-in-exile does not conform to reality, since this assumes that there had been a government and its territory had become occupied, and it then existed in exile. In addition, the legal conditions for the establishment of such a government are not present. In this regard I might refer to the Government of Free France, which DeGaulle headed

during World War Two. On that subject, the establishment of a temporary government is more in conformity with political and legal reality and with international legitimacy, founded on the 1947 partition resolution, which advocated the establishment of a Palestinian Arab government, a government of a tentative character whose mission will end with the realization of the independence of the Palestinian people and will among other things have the right to represent our people, pursue their demands, and realize them on all Arab and international levels and, along with that, will have the right to negotiate with Israel within the context of an international conference for the sake of the restitution of the territories occupied in 1967 and the establishment of an independent Palestinian nation which, after its establishment, will determine its future relations with Jordan in particular and with the Arab world in general, within the framework of Arab national desires.

This sort of temporary government must in its activity and work be founded on a clear program, as I said previously, so that the future Palestinian nation will not be an alternative to Israel but a neighbor to it within the borders of the West Bank and the Gaza Strip, as it was on the eve of the 6-Day War. Therefore the establishment of a temporary Palestinian government within the conditions I mentioned will constitute a quantum step forward toward the realization of the peaceful solution and that will attract the support of a number of the larger and smaller countries of the world which will contribute to pressure on the leaders of Israel to withdraw from their rigid positions before it is too late and catastrophes and tragedies befall all the peoples of the Middle East, including the Israeli people.

Dr Anton Mansur (Bethlehem):

My opinion is not different from many of the Palestinian people, since I feel that carrying this idea out will require deep study in its various aspects with the Arab countries or other countries concerned with the issue of the struggle in the Middle East, because the declaration requires support and recognition from various countries so that assured success may be its destiny.

Hanna al-Atrash (Beit Sahur):

I feel that the international, and especially Arab, circumstances do not allow the establishment of such a government-in-exile, because we do not want to see the Palestinian people divided within itself.

We also, on the other hand, feel that the two candidates for the American Presidency have been loudly declaring during the election campaign that they will not allow the establishment of a Palestinian nation in the occupied areas. On top of that, this declaration will delay the liberation of the territories. We also feel that the establishment of such a government is still premature.

As for the conditions they seek for the recognition of Israel and Security Council Resolutions 242 and 338, they are just a deception by means of which they want to implicate the Arab world. If they are sincere in their efforts at peace and the application of Resolution 242 in text and spirit, they must frankly declare that they are ready to withdraw from the territories which were occupied in 1967. The absence of a declaration does not express good intentions regarding a readiness to withdraw from these territories.

Lawyer Khalid al-Qadrah (Gaza):

The declaration of the Palestinian nation and the formation of a temporary government is in my opinion the best way in which the organization can play its role and bear its responsibilities in the political context and the context of the Palestinian people's lives in accordance with the following conditions:

- 1. That the declaration of the nation and formation of the temporary government not be an alternative to the organization, but that indeed the latter remain in effect the highest leadership in political terms;
- 2. That along with the declaration of the nation and government a declaration be made of a specific, clear political program in keeping with international legitimacy and our people's fixed demands and enjoying the support of the Palestine National Council;
- 3. That we secure in advance international recognition of the nation and government which is not less than the number of countries recognizing the PLO itself;
- 4. Attention be paid to an absence of overlap between the institutions of the nation and government and the organization's institutions; and
- 5. That no negative effect arise from the declaration of the nation and government on unity among the forces within the PLO, because national unity is the true guarantee of the success of every future political movement.

[passage omitted]

Zuhayr Kamal (Jerusalem):

With respect to the Palestinian government, that is something that is supposed to come about sooner or later. It is the PLO's political instrument which can act in the Arab and international frameworks for the sake of administering the negotiation process. Our people's right to establish their independent country is a resolution issued by the United Nations on 29 November 1947, but because the Palestinian decisions were not in the hands of the Palestinian people, in addition to other factors, this resolution was not carried out.

Therefore, declaration of the Palestinian government is a necessity and the determination of the timing of its declaration is left to the PLO in accordance with Arab

and international circumstances so that this government will adopt the political program which the Palestine National Council will of necessity advocate at its next session.

Al-Mutawakkil Taha (Jerusalem):

Our confidence in the historic Palestinian leadership of the PLO is great and unlimited, and the available facts in the possession of the leadership, which has its conscious security interpretations of these facts, will have the effect of prompting the leadership to adopt the proper steps regarding all issues, theories, and recommendations proposed.

We in the occupied territories are standing behind the PLO leadership in regard to the decisions it will make and we are all confident and assured that these decisions will realize our Palestinian Arab people's aspirations and will bring about a Palestinian national consensus. [passage omitted]

Sa'id Kan'an (Nabulus):

I support the establishment of a Palestinian government, especially in the current circumstances, since this government will offer the Palestinian people every facility from the political, material, and moral standpoints. I believe that the time has indeed come for hastening the declaration of such a government, especially following the latest Jordanian measures.

What is at issue now is the Palestinian option following the declaration of the demise of all other options, the Jordanian option specifically, and this will be followed by the placement of emphasis on the Palestinian entity in a legal form.

Most of the Palestinian people on the inside support the establishment of such a government, and I believe that the international circumstances now are suitable for the acceptance of this notion and its embodiment in actual conditions. I am in favor of the establishment of this government and hope that the PLO's institutions will succeed in coming up with a collective decision aimed at the embodiment of this notion.

Basil Kan'an (Nabulus):

I support the establishment of a Palestinian government on condition that it obtain Palestinian consensus in the context of the legitimate institutions belonging to the PLO, which is our people's sole legitimate representative.

However, the only hope still lies in the attainment of Palestinian unity in the context of the PLO's institutions so that a collective decision on unity may be arrived at in order to bring this notion into the realm of execution and also add to the attainment of an Arab position supporting and backing the Palestinian decision.

Madeleine Khass (Gaza):

I feel that the appeal to declare a Palestinian government-in-exile is an important, necessary step for realizing the hopes and dreams of our people regarding the establishment and self-determination of their nation and the definition of its identity.

Al-Hajj 'Abd Abu Dhiyab (Jerusalem):

In my opinion, it would be better to declare a temporary Palestinian government than to declare a government-in-exile. In either case, everyone must be concerned about national unity so that the goals and hopes of this country, which are the objective of every Palestinian, may be realized.

Time will make it mandatory that the PLO adopt the political steps which will guarantee these Palestinian people their rights, especially following the severing of the connection between Jordan and Palestine.

Shaykh Muhammad Sa'id al-Jamal (Jerusalem):

I believe that the country must have land and I do not believe in the proliferation of countries in our Arab world. I believe in a single country, the country which will bring Muslims together, from east to west.

Dr Sufyan al-Khatib (Jerusalem):

Lest the declaration of the government-in-exile be in effect a leap into the abyss and a leap into the unknown, it is necessary to point and refer to a number of dangers and threats which stand in the way of the declaration of such a government.

An early declaration of a government-in-exile involves many dangers, especially since there are many questions that need answers. Answering these questions means making a rapid concession, free of charge, at the expense of our national course. For example, how is it possible to give an answer on the borders of the future country? Whatever the answer might be, recognition will become something that has happened without change. Who among our people will this government represent, and what about the Palestine National Charter—will we throw the charter to the winds for the recognition of this government by some countries, while the PLO, without concessions, has obtained the recognition of more than 110 countries?

More dangerous than that, what about the national unity within the occupied territories? The formation of a government-in-exile at present means deepening the rift of the dispute on the Palestinian stage.

Dr Amin Mujij (Jerusalem):

From my point of view, matters have not yet crystallized as regards the call to establish a Palestinian government, whether a government-in-exile or a temporary one. There also are a number of questions which require specific answers such as where and how this government will be established and who will stand behind the financing of it, and other questions which still are pending without an answer that will provide a remedy.

Journalist 'Ali al-Khalili (Nabulus):

I agree to the establishment of a temporary Palestinian government founded in accordance with the political negotiations proposed through the United Nations and its resolutions, and I believe that the time is very suitable for the declaration of such a government.

I also believe that delay and hesitation in declaring the formation of this government will lead to contrary results which will conflict with the interests of our Palestinian people.

I do not imagine that such a temporary government will be a cause for further Palestinian disputes. The PLO will remain.

Dr Jamal Salsa' (Bayt Sahur):

Concerning the severance of the Jordanian connection with the West Bank in legal and administrative terms, this severance has created a great vacuum in the occupied territories, and we are now in a race with time to fill this vacuum, especially since many enemies of the Palestinian cause are trying to fill this vacuum. Therefore the PLO, our people's sole legitimate representative, must fill this vacuum because legally and in terms of legitimacy within the Palestinian people, it is most just, worthy, and fit to fill this vacuum, and establishing a Palestinian government-in-exile is the proper response.

Journalist As'ad al-As'ad (Ramallah):

In my opinion, the option of declaring a Palestinian government is one of the few options presented to the PLO following King Husayn's latest step to sever the legal and administrative connection with the West Bank.

I feel that a strong, temporary Palestinian government with the mission of carrying out a clear national political program in accordance with the results produced by the Palestine National Council meeting in the month of October will decide many pending problems and inhibit many options which others who are enemies of the Palestinian people are suggesting.

Dr 'Abd-al-Latif al-Barghuthi (Ramallah):

In my view, all Palestinians aspire to the existence of a nation, whether it is temporary or in exile. If the nation is declared, it is necessary that a government be formed for it, but of course we do not want our experience with the Government of All Palestine, which failed in the past, to be repeated.

In addition, I would like to point out that our wish is one thing and the final decision in this regard is something else, contingent on the possibilities for recognition for this country and government if a declaration is made on it at the international level—that is, if there is support from most countries of the world, especially countries with great political or economic weight, at that point a declaration should be made on it.

The Palestinians must stand as a single rank on whether or not there is a declaration in the sense that there has to be a strong Palestinian front that has rallied about the decision regardless of whether this decision is positive or negative.

In my view, also, Palestinian unity is more important than the declaration of a Palestinian government or country.

Dr Yasir 'Ubayd (Jerusalem):

I support the establishment of a Palestinian government. Perhaps it will be the first practical step toward the realization of the Palestinian dream of an independent country, which will be an exercise in practice for the person wishing to search for a solution to the cause of Palestine, the Palestinian people, and Palestinian territory.

Our hope is great that the Palestine National Council will agree to present this government as an address for the Palestinian people's sole legitimate representative on the way to the resolution of their just cause.

Al-Hajj Dawud Wazwaz (Jerusalem):

I support the establishment of a temporary Palestinian government under the shadow of the PLO and the chairmanship of leader Yasir 'Arafat, and we hope that our brother Yasir 'Arafat will work to unify the ranks of the organizations' forces. We also ask the brothers in opposition to unite their ranks and work to establish this fledgling country on our Palestinian soil.

We demand that the holding of the exceptional session of the Palestine National Council be accelerated so that all political matters related to the occupied areas will be discussed.

In addition, we hope that our government will be established quietly, far removed from any struggles among fraternal brothers in the united Palestinian home.

Lawyer 'Abd-al-Latif al-Hayyah (Gaza):

I support the declaration of a Palestinian government-in-exile on the basis of Palestinian legitimacy, represented by the PLO, our Palestinian people's sole legitimate representative.

I also support the Liberation Organization's political policy and the resolutions issued by it with regard to the Palestine cause.

Artist Fathi Ghubn (Gaza):

[Passage omitted] I am in favor of the establishment of this government in view of the constant Israeli rejection of all initiatives the organization proposes. For the success of such a government, it is necessary:

- First, to resolve all Palestinian conflicts and disputes; and
- Second, to get in contact with the world's governments and guarantee the attainment of further international recognition of this government.

We hope that the Palestine National Council will seriously and decisively review what is going on in the occupied Arab territories and will make decisive, effective decisions for realizing Palestinian interests and serving the Palestinian people.

'Abd-al-Ra'uf Abu 'Asab (Jerusalem):

The establishment of a Palestinian government-in-exile will require specific conditions, among them recognition by the other party of our Palestinian people's right to self-determination. Consequently, the appeal to form a Palestinian government will have the goal of entering into negotiations within an international peace conference to be attended by all parties concerned, including a Palestinian government possessing an independent delegation on an equal footing with the other delegations, in the presence of the countries with permanent membership in the Security Council.

In any event, I feel that it is necessary to find a just political solution to the Palestine cause, especially since the uprising has entered its 10th month, and that there be a flash of hope for our Palestinian people who are under occupation.

Dr Mahmud Khalid al-Zahar (Gaza):

There is nothing to prevent the establishment of a Palestinian government if the following conditions are present in regard to it:

- 1. That it not be a cause for deepening differences among Palestinians;
- 2. That it not be a government of tension of previous factional pursuits which ignored the Islamic nature of the struggle;
- 3. That it not drown this government in the red tape of bureaucracy, which will divert it from performing its obligation of holy struggle.



- 4. That it not rely on alien, imported thinking concerning this nation's ideology, history, and genuine nature; and
- 5. That it not be a new, quantitative addition to flimsy Arab governments which are not able to solve their problems, be they small or large, economic, social, or political.

In my mind, a small government on a single sliver of land, raising the banner "There is no god but God, and Muhammad is the prophet of God," will be able to realize the broad hopes of the people of this region. Look at history. Therefore I hope that a government which is Islamic in platform and style will be formed and thus we will remove much suffering and many years on behalf of a just, comprehensive solution. [passage omitted]

Dr Muhammad Jadallah (Jerusalem):

[Passage omitted] The basic issue facing the Palestine National Council is the crystallization and formulation of a political program responding to current developments, compatible with the tentative national program, connected with democratic organizational reforms in the context of the institutions of the PLO and arising from an accurate assessment of everything that will strengthen national unity. From this unity will arise a temporary government that the National Council will declare, seeking to guarantee the broadest Arab and international recognition and development of the greatest international reserves to support our Palestinian people's rights regarding the establishment of their independent country, based on adherence to the resolutions of the United Nations, resolutions of the Security Council, and international resolutions bearing on the Palestine cause, and considering Resolution 181 of 1947 a basic foundation for negotiations by means of an international conference possessing full powers in the presence of the delegation of the temporary Palestinian government as an independent party equal to the other parties to the struggle and in the presence of the five countries with permanent membership in the Security Council, guaranteeing the Palestinian refugees' right to return in accordance with the United Nations resolutions, which include our people's right to self-determination and right to establish their independent nation.

Accountant Muhammad Salim al-Shami (Gaza):

I support the establishment of a Palestinian government without ministerial portfolios for the sake of obtaining international support for the rights of the Palestinian people, embodied in their right to self-determination, to return and to establish an independent Palestinian nation on Palestinian soil. I feel that the representation of this government should be in a manner that the current Palestinian leadership embodied in the PLO

considers appropriate and I urge the Palestine National Council to build its resolutions with attention to the local and international balance of power and the Palestinian situation on the inside.

Al-Hajj Mahmud 'Abd-al-Hadi (Jerusalem):

The step toward the establishment of a Palestinian government ought to have come sooner, especially after the severance of the connection on the part of the Jordanian party, because I do not expect that the PLO was totally uninformed of King Husayn's steps.

In any event, we hope that there will be rapid practical steps to take the initiative in hand and establish a Palestinian government-in-exile, especially since the people of the occupied areas are in a state of bewilderment in this context.

Journalist 'Awni Abu Ghush (Jerusalem):

The basic conditions for forming such a government are not present. The first of these is comprehensive Palestinian national unity, the second is a firm relationship of alliance on national bases with the Arab national regimes, and the third is the international situation.

With a rapid glance at these three conditions, we will find that they are not present up to this moment starting with comprehensive national unity and proceeding through the tense relations between the PLO and Syria specifically—relations which we cannot ignore and disregard in terms of their importance to the Palestinian national struggle. As regards the international situation, there are a number of major European countries which are not prepared to recognize the government-in-exile as soon as it is formed unless its political program is a weak one of capitulation. In addition, the circumstances of the call for the holding of the international conference are not ripe up to this moment either.

Hisham Hasanat (Bethlehem):

I am against the establishment of a temporary Palestinian government or one in the framework of the current circumstances, on grounds that the political program this government will present is unclear.

On the other hand, the formation of such a government will lead inevitably and of necessity to the elimination of the PLO's role as a revolutionary political structure, in the sense of stripping the organization of its substance "as a revolution" and consequently restricting the political program the government will present for international and Arab considerations as well.

Nahid Rashad Abu Zaynah (Hebron):

I do not believe in theories which do not have basic foundations. If everything has a basic foundation on which it is built, it will succeed, but what I see, in my

personal view, are solutions to the Palestine cause which have no foundations we can rely on. I hope that the picture will assume concrete form and things will become more and more apparent so that we will measure up to the responsibility laid on our shoulders as a Palestinian people.

At the present, we demand the establishment of a government-in-exile but on our road toward achieving this it is necessary to find a quick solution to intra-Palestinian conflicts and Arab indifference regarding the cause, so that the territory of Palestine can be restored to its perseverant people and peace may rule in general over the land of peace.

Karim Tuma Ibrahim (Bethlehem):

What we are striving for as a Palestinian people is to have an independent Palestinian country. The formation of a temporary government or one in exile may be an effective step toward the establishment of such a country, or will lead to a partial solution to the situation existing in the areas, especially after Jordan's adoption of the decision to sever the connection with the West Bank.

Hasan Abu Rumaylah (Jerusalem):

We all hope there will be a solution. Who is it that hates to have a country and an independent government and consequently have conditions, especially economic ones, improve?

Salim Mahmud (Silwan/Jerusalem):

Whether we agree or not, in the end we will not benefit in any way.

Jamilah Mustafa al-Batsh (Gaza):

[Passage omitted] I believe that everyone realizes that this council works only on behalf of the Palestinian people and for the sake of Palestinian dignity. Nonetheless, regarding the establishment of a Palestinian government-in-exile, we hope that it will be able to realize the Palestinian desire—freedom, independence, and establishment of the country on Palestinian soil.

It remains for me to point out that there are some things which must be taken into account, which basically are the heart of the issue, before the establishment of a Palestinian government:

- First, the national unity of Palestinian forces and the settlement of all disputes;
- Second, the pursuit of a broad, diplomatic, international campaign and contacts, consultations, and discussions to convince the largest possible number of the world's countries of the need to recognize the Palestinian government when it is established and continue the international political effort aimed at

holding an international conference with the attendance of all parties to the struggle, including the Palestinian government and the countries with permanent membership in the Security Council; and

- Third, the confrontation of all conspirators and intriguers who are striving to strike at Palestinian interests.

We are not calling for the elimination of the nation of Israel. Rather, we are calling for the elimination of the occupation in all its forms for the sake of establishing the Palestinian nation alongside the Jewish one so that a just and comprehensive peace may reign.

Accountant 'Abd-al-Karim Isma'il al-Sabbagh (Gaza):

After everything that has happened to the Palestinian people on the inside and outside, the time has come to establish a Palestinian government-in-exile, provided that there is Palestinian national unanimity on the part of all Palestinian forces regarding the establishment of this government and recognition of it by most of the world's governments.

Such a government will alleviate the suffering which has befallen and still befalls the Palestinian people in the occupied Arab territories. This government will also strive earnestly to realize the Palestinian people's wishes, hopes, and goals, embodied in the acquisition of their freedom and right to self-determination and to establish their independent Palestinian country.

Muhammad Abu Jalalah (Gaza):

The notion of establishing a Palestinian government is in reality one that has been our longed-for dream for a long time. We all hope we will have a national government, but do you suppose the notion of establishing such a government at the present time is appropriate?

The present is fraught with dangers in spite of the developments which have occurred on the Palestinian stage, which have caused our brothers abroad to study the notion of establishing the Palestinian government. We all know that the blessed uprising and the severance of the administrative and legal connection between Jordan and the West Bank are two strong causes behind the notion of establishing the desired government. I feel that the time has not yet come to establish such a government. There are numerous questions. Will this government represent all the Palestinians on the inside and outside? Will this government represent the Palestinians present inside the green line or the post 1967 war Palestinians? There also is the question of what will be the extent of this government's influence on national unity and Palestinian ranks.

Will it lead to more fragmentation or more interrelationships and mass solidarity? What will be its scope regarding the policy of the organization in the future? Will it lead to the pursuit of a political line alone or the pursuit

of a political and military line at the same time? The formation of a Palestinian government at the present time, before the pursuit of a full reconciliation and the pursuit of coordination among the Palestinian parties, will lead to failure and further conflicts and fragmentation. Therefore it is necessary to carry out consultations, collect opinions, agree on the resolutions which must be taken under the umbrella of the Palestine National Council, and come up with an honorable result on behalf of the cause and the people.

Hasan al-Dahshan (Gaza):

The establishment of a Palestinian government at the present time is a premature notion because the PLO has not yet given concrete form to a decisive position in this regard. It is very apparent that no Palestinian, whether he is at the leadership level or the ordinary level, can take a position of this sort especially since the Palestinian institutions—foremost among them the Palestine National Council—are responsible, are the sole legitimate representative of the Palestinian people, and are the ones who can take decisions in this regard.

#### Christians Fear Islamic Aspect of Uprising

44230009 Tel Aviv MA'ARIV in Hebrew 16 Sep 88 p 2

[Article by Avino'am Bar-Yosef]

[Text] From the balcony of the Air Rest Hotel on the heights of the Christian town of Bayt Jala, the activists of Hamas (the Islamic fundamentalist opposition movement) seem far away, but the silhouettes of the traditionally dressed, bearded [fundamentalists] pose more of a threat here than in any other place.

Bayt Jala is a quiet town. Even during the Intifadah, it has remained almost outside of the uprising despite the fact that its residents have endeavored to play by the rules of the game. They have carried out the directives of leaflets proclaiming strikes, but there have been almost no demonstrations in the town.

Makram al-'Arjah, a young Christian from the family which established and operates the hotel, stated the following in reference to Christian-Muslim relations in the territories: "The lesson of the war in Lebanon and intercommunal strife in the area is that if we want to survive, we must be united."

In July, Makram watched a procession from the balcony of the hotel, which was organized following prayer services in the churches. Hundreds of worshipers took to the streets in a protest march organized by local youths who veiled their faces and chanted "peace procession" as they waved Palestinian flags and called on residents to contribute to the national struggle. Their contribution was one fatality.

Jiryas Qunqar, a 43-year-old painter, became the fifth Christian fatality since the uprising began and "a symbol of partnership in Palestinian destiny," according to Dr Jiryas Khuri, a lecturer at Bethlehem University and assistant director of the Tantur Ecumenical Institute.

On 3 July 1967, 550 notables from Bethlehem, most of them Christian, signed a petition to have their city included within Israel. "An umbilical cord connects us to Jerusalem, and if you unite the city, include us also in this unification," stated the notables.

This week, that same appeal seemed distant and imaginary. Hamas activists surrounded Christian population concentrations, and used threats to force merchants to observe a total strike.

Despite the significant increase in the number of residents in the territories since the 6-Day War, mainly as a result of the high birth rate, the number of Christians has declined in the last 10 years. According to data collected by Dr Khuri, there are currently fewer than 40,000 Christians living in the territories. Most of them are concentrated in the triangle formed by Bethlehem, Bayt Jala, and Bayt Sahur. Approximately 8,000 of them live in Jerusalem.

Israeli elements who monitor the Christian community in the territories believe that Israel can do more to bring the Christians closer. According to them, the Christians are behaving as a typical minority which has been forced to develop survival instincts.

A portion of them have turned to nationalistic Palestinian activity and have become prominent in mainly radical groups identified with the "rejectionist front." This is so not only because two Christians, George Habash and Nayif Hawatimah, are the leaders of the Popular Front [PFLP] and the Democratic Front [PDFLP], respectively, but also because the Christian population, being more educated and progressive, has been more drawn to Marxism and communism.

Yasir 'Arafat, who grew up in the circles of the Muslim Brotherhood in Egypt, has not inspired them with confidence, and Fatah's links with Islamic elements have alienated activists on the left.

However, as a minority, the majority of the Christian population has become accustomed to supporting those who represent strength and authority. At present, Israel has ceased being portrayed as the strong side. Among the elders of Bethlehem, the following expression has become current: "After Saturday, comes Sunday," meaning that the forces of Islamic fundamentalism will turn to fighting the Christians after they have fought the Jews.

The Iranian revolution has aroused deep fears among the Christians. Although many Christians identify with the Palestinian nationalist trend, there exists real concern

over Muslim religious extremism. In Bethlehem, for example, members of an old Christian family expressed concern over the loss of the Christian majority in the city. They maintain that if elections were held now, the chances of [Ilyas] Frayj or another Christian being elected mayor of the municipality would be almost nonexistent.

At the end of the 1960s, and at the beginning of the 1970s, Israel attempted to encourage cooperation with the Christian minority. The architect of this policy was Rafi Levi, the former district commissioner, who succeeded in developing special, close relationships with church leaders. However, after a short time rumors spread about immoral acts, and church leaders who were not natives of the area were pushed out by nationalist elements.

Another factor which helped Israel after the 6-Day War was the economic prosperity in the territories resulting primarily from the development of tourism and commerce, the main areas of Christian business activity. However, despite economic prosperity, the dearth of opportunities to develop in academic fields led Christians to emigrate to the west.

Christians involved in tourism complain about Israel not having done enough to encourage tourism in East Jerusalem; they were not given permits to build hotels for pilgrims, and new licenses were not issued to Christian tour guides, of whom there are currently only 45 licensed to work in this profession.

The results were not long in coming. Many families sent their children abroad to marry. These young people succeeded in business, and became a part of society in the United States, Canada, and Australia.

For example, Sami Bandak, a member of an old Bethlehem family, established a successful toy and children's clothing business in San Diego, California. He still has fond memories of his father's house and feels a special connection to Palestine, but his future is tied to the United States. Economic prosperity sometimes enables him to be recruited for public activities. "I was an activist in the campaign to free Soviet Jews," he stated when we met him 2 months ago in California at the home of the Jewish owner of a chain of local newspapers.

"Being a Christian is also being a minority in the country of my birth. Today I am proud of the decorations I received in the Vietnam war. I am an American in every respect, and so are my children to an even greater extent."

Emigration has caused great concern among leaders of the Christian community, and the opening of Bethlehem University is intended to at least solve the problem of education. Bi'r Zayt University is also subject to a prominent Christian influence.

A portion of the Christian Palestinian emigres has returned after completing studies abroad. Prominent among them is Hanna Sanyurah. He became a political personality after becoming the editor of the pro-PLO AL-FAJR newspaper, and after being appointed by 'Arafat and Husayn in 1985 as a member of the Jordanian-Palestinian delegation that was supposed to participate in discussions with Israel.

The appointment of Hanna Sanyurah to the committee was not coincidental. Yasir 'Arafat is mindful of maintaining different balances to preserve his influence in the territories, and he does not disregard the Christian element. Thus, he has cultivated the president of Bir-Zayt University, Dr Gabi Baramki, who is identified with supporters of the PLO, and who is considered a future representative of the Christian minority in a Palestinian government if such a government is formed.

Christian elements in East Jerusalem are trying to diminish the importance of sectarian-based representation in Palestinian nationalist movements. But they also admit that members of the two religions are suspicious of each other. A feeling of superiority, based mainly on the gap in education, has become prevalent among Christians, while Muslims openly say that the election of a non-Muslim national leader is inconceivable despite the fact that Christians are Palestinians.

When the uprising began, there were attempts, mainly on the part of fundamentalist Muslims, but also on the part of Israel, to keep the Christians out of the struggle. Initially, these efforts seemed to succeed, but the situation began to change after the mayor of Bethlehem, Ilyas Frayj, was compelled to cancel the traditional Christmas reception.

The churches were harnessed for the national effort only in January when for the first time they declared a day of fasting and prayer to identify with those injured in the uprising. On 9 February, when a demonstration was being dispersed in Gaza, a Christian youngster was beaten to death. The death of Khalid Tarzi, a 19-year-old relative of the PLO's representative in the U.N., greatly agitated Christians, and they began to take an active part in the uprising.

The role of Christians was likewise not absent from the leaflets of the Intifadah. Those who composed the leaflets mentioned Christians in the same breath with Muslims. When efforts became focussed, starting in March, with the organization of a long-term struggle, in an attempt to seize control of the systems governing daily life in an effort to sever links with the Israeli administration, members of the Christian community demonstrated an outstanding organizational ability.

The municipality of Bayt Sahur, next to Bethlehem, became a model for imitation. The local committees established there were concerned not only with safeguarding the property of residents in the absence of



police, but also with helping needy families; they taught residents how to raise vegetables in their yards, and established an alternative education system.

In July, when the tax authorities in the administration attempted to collect back taxes, as they did in other places, residents of Bayt Sahur, on the instructions of the local uprising council, returned their identity cards.

Dr Khuri, who was born in Fasutah in Galilee, believes that Palestinians have a common destiny regardless of religion. According to him, emigration was not the result of enmity on the part of Muslims, but mainly the result of foreign missionaries who taught Christians that they do not belong there, but in Western countries where they constitute a majority. The new Latin patriarch, Michel Basbah, born in Nazareth, takes a similar position.

This week, the patriarch spoke with moderation in his office in the Old City of Jerusalem about the rights of the Palestinian people: The church does not take political stands, however it must teach values to its community of believers. Christians in the territories have rights and obligations in times of peace and of conflict. Are the Israelis aware of what was done in the territories, how much unnecessary violence was practiced?

He himself is prepared to condemn violence from any quarter, but makes a clear distinction: "For 20 years, the residents of the territories were quiet, and this led nowhere. Perhaps the residents of the territories have come to understand that there is no other way out, that this is the only way."

From the heights of the Air Rest Hotel, next to the Karmizan Monastery, which is known for the wine and parmesan cheese produced there, the Israeli dream of Christian-Jewish cooperation appears broken. For the foreseeable future at least, the Christians are recruited for the benefit of the Palestinian struggle.

The increase in strength of Islamic fundamentalist elements causes the Christians great concern, but it will not be the Christians who create an explosion. They are afraid, even though it is precisely the fundamentalists who are increasing dissension within the Muslim majority.

Nationalist activists, including Christians, who relied on the "silent majority" to support the PLO now fear that the absence of a political initiative on the part of Yasir 'Arafat will cause despair and will push the peasant population toward religious extremism. Hamas, which draws its inspiration from Iranian Khomeinism, awaits them.

## EGYPT

**U.S. Seen Struggling To Maintain World Position**  
45040014b Cairo AL-SHA'B in Arabic 20 Sep 88 p 8

[Editorial by Ashraf Rada: "America Is Trying To Maintain Its Number One Position"]

[Text] A reassessment is under way in the United States, accompanied by other moves to review many of the prevailing concepts and situations in search of new

understandings and innovations which might enable it to escape its de facto crisis. This process has begun with a re-evaluation of the United States' strength and international standing. Most of those concerned with and involved in this process agree that the United States has lost its economic hegemony and is no longer the foremost economic power in the Western capitalist world. They also agree that the basis for its economic and military superiority, on which America's universal role rests, has become weak and might become even weaker.

Faced with this continual weakening of the United States' relative strength and its declining international standing, several American scholars have suggested some ideas, plans, and programs for maintaining the United States' standing in the Western capitalist world—i.e., its position as the foremost power.

These plans and programs take into account geopolitical changes and the obligatory reordering of the United States' international priorities since they stress the need to stimulate American policy in areas bordering the Soviet Union. For example, James Tashis, a highly placed colleague at America's Carnegie Institute for Strategic Studies, calls for more emphasis on the Far East in an attempt to build an American-Japanese-Chinese alliance to put pressure on the Soviet Union. Meanwhile, Zbigniew Brzezinski, former national security advisor to the president, is calling for more emphasis on Eastern Europe, since that would offer more opportunities and possibilities for putting pressure on the Soviets. In both cases, the goal is to provide greater opportunities for increasing the United States' freedom of movement on the international scene, particularly in Latin America and the Middle East.

These plans also take into consideration technological and economic developments and the accompanying emergence of new international forces and developments, which are hard for a single power to control, and the emergence of other noneconomic factors and their increasingly decisive role in determining a nation's strength and standing. Brzezinski is calling for international cooperation to establish organizations capable of controlling modern developments on the international scene. The American-Japanese alliance with Western Europe would be the nucleus for such cooperation which could work alongside the Soviet Union in spite of the general competitiveness, if not conflict, which governs relations with the Soviet Union.

Even though these plans, should they be followed, involve a reduction in the United States' leading role, the Americans are still insisting on the importance of their leadership since the alternative is international chaos. However, this leadership means that the United States' principal allies (Japan and Western Europe) must be convinced to support and back America's role as leader. However, what can the United States give its allies in return for this support?

The United States can offer a great deal, but the fact that its interests actually conflict with the interests of its allies shows both sides that these are just promises and nothing more.

**Zaki Badr Defends Prison Measures, Emergency Law, Himself**

45040014a Cairo AL-AKHBAR in Arabic 31 Aug 88 p 3

[Interview with Interior Minister Zaki Badr by Muhammad Shakir; date and place not specified; introductory passage omitted]

[Excerpt] My interview with Zaki Badr started off, of course, with the issue of escaped prisoners. He said, "I am always true to myself, I am always frank, and I approach every problem and issue this way, as the people know well. Therefore, I will answer your question about frequent prisoner escapes with the utmost frankness.

"Frankly, no improvements have been made in the prisons since the time when Haydar Pasha was the director of the prison administration. A year and a half ago, I took the stand that this agency is one of our society's punitive organizations and began drawing up a comprehensive plan and concept for suiting imprisonment to the nature of the crime. Since that time, we have been drawing up development programs.

"Naturally, none of these matters will bear fruit overnight, because any development has to include the agencies, the individuals, the guards and the equipment. That is, prison is not a resort or a hotel, but is a place to imprison people by court order and is under the courts' control. It would be a mistake to think that we are discussing the prisons only because some prisoners or drug smugglers escaped, except in the case of three such escapes. The whole issue is related to public security policy, and is not just a reaction to an unforeseen event."

[Question] President Mubarak has referred to foreign respect for Egyptian security, and conveyed this testimonial to the young people during his last meeting with them.

[Answer] The mere fact that President Mubarak referred to this testimonial is something we can be proud of before our leader and our society. For us, to make every effort to help achieve stability and security is a commitment, a social contract, and a mission without equal. This esteem strengthens our feeling of responsibility to our leader and our nation. We are the protectors of the security of this society, which has entrusted us with the task of defending the law.

[Question] But there is common agreement that these repeated prison escapes indicate a shortcoming which is becoming quite serious.

[Answer] Frankly, I don't deny that a shortcoming—quite frankly, a serious defect—exists. These are conspicuous cases, but conditions inside the prisons are terrible. I am not exaggerating when I say that the prisons are a hotbed of drug addiction and monetary crimes—quite frankly and truly, even more so among the guards themselves.

I have taken my stand on this phenomenon; a decisive stand, because in my opinion it is an entry point for corruption.

The guards are now being carefully investigated, and I can say in all honesty that whenever a case of dereliction of duty on the part of a guard is brought to my attention, I refer him for trial, suspension, and dismissal.

All of this is part of the development plan. It was not generated by a specific incident, but is a strategy and vision for the future. The prisons are not five-star hotels. Prisons should not be located in residential areas. Electronic supervision and closed-circuit television must be used to monitor activity inside the prisons. Modern methods and equipment should be used to guard the prisons and assist communications among the guards. New up-to-date measures must ensure discipline and efficiency for officers and soldiers.

Frankly, most of the prisons are not places for being lazy, but are involved in agricultural and dairy production.

Six prisons are now being built in nonresidential areas.

(The minister then went back to the issue of terrorism, describing it as organized terrorism, and made this spontaneous remark:)

I just came back from Qina where I found the phenomenon of 15 cases in which pharmacies were set on fire for religious reasons. All these are indications... shall we allow sectarian unrest to continue to flare up? Frankly, in such cases I am extremely strict, while still abiding by the law. In the past, some people might have asked us to try to absorb these people's anger or calm them down, or might have demanded that they be treated kindly in order to prevent or postpone their activities. Frankly, I do not believe in the idea of handling any terrorist act with kindness, for these are definitely crimes.

Then he adds firmly, "By God, I don't treat any criminal with kindness, even my own son!"

After this vehement beginning, we let the minister express his views of the situation according to the information available to him. He said, "There are many intricate, complicated factors which are responsible, as well as widespread rumors and lies."

### The Government and the Emergency Law

[Question] These heated stories bring up the question which is on everyone's tongue: What effect has the passage of the emergency law had on stabilizing the security situation? Even though the law was passed, we still hear such tales.

[Answer] In England, the interior minister has the right to cordon off and search residential areas without obtaining or even requesting permission from any court authority. However, enforcing our emergency law is subject to judicial control.

Frankly, we are targets. There is a very strange alliance against the country, consisting of all the forces—the Muslim Brotherhood, the radical groups, the Communists, and the Nasirists—which are outside the law, and with which the opposition parties are unfortunately affiliated.

Why? I don't know why.

Why do the opposition parties stand alongside, and get involved with, the Muslim Brotherhood and the Communists?

The people are naturally perplexed and are asking the reason. It might be said that the reason is unknown, which is astonishing, but in principle it is an alliance with the devil against Egypt's interests.

I say that Egypt is a secure country protected by God, and God willing it will remain so until Judgement Day.

It is said that they want to gain power illegally.

I say to them, "How preposterous that you should attain your goals this way—that you should attempt to violate Egypt, which is secure in God's protection."

Speaking of the emergency law, I say that America is a democratic country, but a distinction is made there between a person and his possessions. The person has his rights, but do they extend to his possessions? I say no. Take, for example, the matter of the drug dealers there. They say the person has his right to freedom, but it does not extend to his possessions. The drug dealer's car and real estate can be seized. Here in Egypt, it is the court and its rulings which determine confiscation, but in America it is the antidrug agencies which confiscate the drug dealers' money.

I have discussed this point with President Reagan's advisors, who say that in America the public prosecutor, who is equivalent to our interior and justice ministers, is the plaintiff. Here in Egypt, the judge is the arbitrator, and the prosecutor has the final say.

Here the emergency law is subject to the control of the judge, and whenever anyone is arrested and says that he was tortured, an investigation is made into this allegation. The prisons are open, and their records are at the disposal of the prosecution.

This means that there is total peace of mind here, and everyone is under the protection of the courts.

Naturally, if matters were allowed to take their normal course, the prosecution would want to give the irrefutable evidence first, the stage of protective security would be eliminated, and we would be unable to act.

### In Every Case

[Question] If conclusive evidence is not compiled, the court releases them. Under the emergency law, we can take a month to do this, and the period for the complaint is 15 days. If the complaint is rejected, the matter is final.

[Answer] Naturally, if such a decision is issued, the verdict is final and we release him. During the month and a half he might renounce his life of crime. You see, we have some people who have been apprehended maybe five or six times for repeated attempts to undermine the society's security. Therefore, the purpose behind this preventive measure is to allow us to crack down on or reduce this activity.

So don't say that I take them out and beat them in the public square.

The opposition, which presumably benefits from stability, is getting unruly. Day and night they keep repeating, "Emergency law, emergency law."

I mean, they celebrate the Prophet's birthday in a small room, and at the same time they want a public place like Tahrir Square to celebrate a private individual's birthday.

Does this make any sense?

Of course, their technique is to have 500 vehicles at their beck and call all over the republic, which they get to congregate in the square and carry them around in the governorates, giving the impression that the entire country is with them.

I want to say something which many people might not know or which they might be mixed up over. This question of meetings is unrelated to the emergency law, but involves another law, the law on public meetings. It has nothing to do with the emergency law, even though they are intentionally mixing these matters up!

Therefore, the matter of meetings has absolutely nothing to do with the emergency law, and they know it. Even so, on any occasion and any meeting, even a religious

occasion, we find them reiterating their resolutions: abolish the emergency law; abolish the socialist prosecutor; abolish the university's guards; dismiss the interior minister.

There are exactly ten such resolutions. Take, for example, a lawyer who engages in political activity and who writes a check without sufficient funds, i.e., he is a swindler who has engaged in a criminal act. Should I apply the emergency law and turn it into a political, national case?

I challenge anyone who says I am a communist, or that I have used the emergency law against anyone who holds an idea or an opinion or who has raised any sort of grievance.

I challenge them to come up with a single oppressed person to whom the emergency law has been applied.

#### **Yes, I Am the One Who Signs Arrest Orders**

[Question] And what about arrests?

[Answer] They say that I draw up arrest orders and leave them blank. First of all, the arrest procedure must go through a series of steps and committees. These committees are legal, not administrative, and the procedures are lengthy. After that, the arrest order is submitted to me and I sign it.

Frankly, there is not a single case when I said no. But at the same time, when an officer like Rashad Bey brings me someone and tells me that the boy is all right now, also I don't say no. That is to say, I don't say no when I sign the arrest order—but also I don't say no when I need to sign the release!

I mean, if we read the opposition press after the acquittal of the officers, we see them insisting that they were subjected to torture and intimidation even after the verdict was handed down.

I must give an example in reply. There is no simpler principle of legal knowledge than that the verdict of the court is the truth. Well and good. There was a police officer in al-Fayyum who was sentenced to 3 years, and I made no protest. The verdict was clear, and the civil appeal was turned down because there had been no torture. We must respect the court's decision, for the Egyptian judicial system has had a long, proud life. Good. In Alexandria the courts acquitted the young men involved in the video case. We were glad to go along, for I, the interior minister, am subject to the courts.

Good. And I might say, even more frankly, that when they were acquitted in a famous case, they didn't say "Long live justice," Why?

I would like to say that casting doubt on court decisions is not a matter that requires a polite response.

Very well, they can revile me all they want.

They revile the police, who stand for Egypt's security, who stay awake at night to protect the law. These are our sons who are prepared to give up their lives at any time, and for that they call them inhuman and revile them. Very well, I would like to say that the amount of abuse now being heaped on me and the Egyptian police, the pride of Egypt, may be even greater than that which the strugglers and historical figures directed at the occupying armies before Egypt became independent!

#### **Exporting Terrorism**

[Question] What does Interior Minister Zaki Badr have to say about terrorism?

[Answer] Of course, there is no denying that the Islamic groups and the Muslim Brotherhood are connected with Iran, which is exporting terrorism to the Islamic world, with Egypt and Saudi Arabia possibly being the major target countries. Some of these attempts at dominating us take the form of investment companies—this is a fact. I met someone who said to me, "You describe them as merchants of basbusah [sweet talk]." I said to him, "Sir, as long as the government's money is dirty.... Sir, as long as there is one student who wants to enter the university riding a camel, why do your deputies crowd into the People's Assembly treasury to get paid stipends?"[sentence as published]

Frankly, I thought that when they got to parliament they would refuse to take the People's Assembly stipends, but I confess that I was naive.

We have an example: a graduate at the college of engineering who stayed there for 12 years, during which time he became the leader of some Islamic groups. When the professors got tired of him, they passed him. He took it to court, saying, "I didn't write answers for which I deserved to pass so how am I going to graduate?"[as published]

I was surprised to find that he was a member of parliament.

And now the opposition comes along and says that I slandered Fu'ad Siraj-al-Din and other party chiefs. I say that I never slandered anyone, but only attacked their conduct. Maybe they complained because I used the word "kids."

What I said was not abuse. By "kids" I meant that they need someone to support them. A responsible conduct needs no explanation.

For example, they want the university to burn, and the country to go up in flames. No, there is a strong government which defends not just a party but the whole people. Does that mean I should leave the country open to a campaign of attacks with pocketknives, daggers,

chains and weapons? They have abandoned all normal behavior. They threatened a university president married to a foreign lady that she would be killed if he didn't divorce her. The lady was Christian, which means she was from the people of the Book. Frankly, I took him and trained him to use a weapon. At that time, the interior minister was al-Nabawi Isma'il. He called me in and said, "You are training him at Central Security." I said, "Yes, I would train even the street sweepers to protect their children."

I met with Hasan al-Banna and dealt with him, at the same time as people from my graduating class [people very close to him] were representing the secret police. I don't want to go over ancient history, when al-Nuqrashi was killed in the Interior Ministry building.

I would like to say that al-Hudaybi, Sayf-al-Islam and all the other brothers could never have spoken out at any other time than that of President Husni Mubarak. The organizations are organized in clusters. Most of them have fled Egypt, meaning the organization of "Those Delivered from the Fire" and others. Among their plans is the financial domination of the economy.

I recognize that there has been penetration of the government.

[Question] There is an important point here.

[Answer] One of our "friends" married a new wife and set up an eleven-room flat for her in Damietta. When we started talking about the investment law, they began shouting and started a propaganda campaign. I say that they don't deserve the sympathy of the people or their protection.

They say they hold a document incriminating me. I say that they should publish it so the people can read it; if not, then they are lying.

Then there are those who say this government is corrupt.

Present the documents to the people; we challenge them.

### **The Matter of the Pilgrims**

Another matter we are running up against is the pilgrimage, which we at the Interior Ministry have gotten involved in at the request of the Saudi authorities.

There was the case of the man who swindled people; he left some people off at an airport [telling them it was Saudi Arabia]. It appears that they got off at Luxor Airport [in Egypt] and started shouting "God, we are at your service." [Chant given when on pilgrimage]

At the request of the Saudis, I enforced the statute which applies to such cases, which holds that only one party is responsible. I said that if anyone cheats, degrades or otherwise swindles the pilgrims I will arrest him.

And so the interview with the minister ended. (Actually, I recorded this interview, so that I could take out the swear words, but this gives the picture.) The man is making every effort to bring across a specific idea—that there can be no truce with terrorism.

### **Study Gives Causes, Solutions to Inflation Problem**

45040031 London AL-HAWADITH in Arabic  
7 Oct 88 pp 47, 49

[Article by Amir al-Zahhar]

[Text] The phenomenon of escalating prices has suddenly become the number-one issue of concern to all Egyptian citizens, no matter what their class. This concern was so paramount that president Husni Mubarak made it the core of his two latest addresses to the people. He called upon all citizens to cooperate with the government in confronting this serious phenomenon. Indeed, consumer protection associations have become so militant that one of them organized a two-week meat boycott in order to pressure butchers into reducing prices. Oddly enough, Egypt was considered one of the least expensive countries of the world only a few years ago, but prices have now escalated at a rate far above that in many other countries.

The high cost of living phenomenon was the subject of a comprehensive study by the National Production Council headed by Dr 'Abd-al-Qadir Hatim, former deputy prime minister and general overseer of specialized national councils. What did this study have to say about the high cost of living in Egypt?

Dr 'Abd-al-Qadir Hatim said that prices in Egypt, until very recently very low compared to most countries of the world, have sharply and rapidly escalated. Figures gathered by the Central Agency for Mobilization and Statistics, with 1967 as a base year equal to 100, indicate that in 1977 prices of grains and starches had increased from the base year by 30 percent to 130 then shot up in the following eight years to 371 in 1985. Cereal prices rose to 228 in 1977 then shot up to 768 in 1985. Meats, fish, and eggs went from 100 to 310 to 882 in 1985; legumes from 100 to 278 to 924; and fruits to 315 then leaped to 1155. Doubtless, these are high rates. Prices increased in recent years at a rate between three and ten times their previous annual increases. The same holds true for prices of other goods and services, with the exception of housing, whose price increases ranged from five to eightfold.

Dr 'Abd-al-Qadir Hatim said that, oddly enough, price increases in Egypt are not a function of domestic production. Prices of fruits and vegetables, which are plentiful in Egypt, rose at higher rates than meat and fish, in which Egypt is self-sufficient. High cost is not limited to food and drink, but extends to all goods and services. Strangely enough, prices increase despite subsidies to basic goods and services. Also odd but significant is that prices increase in both town and country. As a matter of



fact, and contrary to previous years, prices escalate in the country at a higher rate than in the city. Prices in the countryside have increased by more than 300 percent since 1977, compared to about 288 percent in the cities.

Does this mean that the high cost of living in Egypt differs in causes, impact, etc. from that in other countries?

The study says that the high cost of living in Egypt, albeit partially tied to the high cost of living abroad, is escalating at a rate higher than that experienced in many advanced countries. The annual rates of increase from 1980, 1981, 1982, and 1983 in the United States, Japan, Britain, and West Germany were successively 11.8, 9.9, 7.4, and 5.5, compared to 22, 16.3, 12.5, and 34.9 for Egypt.

Dr Hatim says that food, thanks to escalating costs, now drains the major portion of family income in Egypt. Family food expenditures have reached 55 percent of income in the city, as high as 60.9 percent in the countryside, and about 90 percent for poor families.

Expenditures on food in Egypt is triple that of the United States and double that of Britain. Next highest are expenditures on clothing (11.2 percent), housing (7 percent), and tobacco (5.5 percent). Cost of living is therefore so high that expenditures for food, clothing, and shelter account for as much as 78.7 percent of family income. Expenditures for all other aspects of living only amounted to about 21.3 percent, which is a negative social indicator indeed.

Another phenomenon is that the high cost of living impacts on all residents in Egypt whether rich or poor, the poor being more heavily impacted of course. This point becomes even more important when we realize that 10 percent of lowest income residents account for only 2.1 percent of national income, while 10 percent of highest income residents account for 33 percent. Generally, 80 percent of all lowest income families account for 52 percent of total income, with 48 percent of income going to the top 20 percent. This means that 80 percent of Egypt's population receives about half of the national income.

How does the high cost of living impact on society, and how can we deal with that impact?

The study says that high prices have become a pressing problem for families and individuals, manifesting negative social impact on all aspects of life and work. That impact is quite obvious in the following areas:

- Culture and education. Even though these services are free in Egypt by an act of the constitution, the true cost of education has begun to rise with the spread of tutoring and private schools. High costs have also impacted such basic cultural sources as books, theaters, newspapers, and magazines.

- Medical treatment and health care remain free in most state hospitals, but many factors have led to lower standards of medical services and high physician fees, as well as the emergence of private investment hospitals with exorbitant charges.
- The housing crisis and its high cost are among the major problems of Egyptian society. The quest for housing units, in view of the tremendous increase in their cost, has caused acute familial and societal problems and given rise to collective living and cemetery habitation.
- Shipping, transportation, and communications. The lack of investment in that sector has led to inefficiencies. Using public transport has become burdensome as well as a waste of time and effort.
- Services of tradesmen. The outflow of Egyptian manpower to foreign markets in the previous period caused an inflow of new unskilled labor to replace emigrating expertise, but this labor was unable either to substitute for it or to meet expectations for good standards and adequate performance. This resulted in doubled costs and high losses.

But back to the root of the problem. What causes this continued price spiral?

The main cause, according to Dr Hatim, is the presence of a productive void, i.e., a shortage of supply that causes competition for goods, increased prices, and filling the void with imports. This in turn increases the cost of supply and causes pressure on the balance of payments, increased demand for the dollar, and the firming of its value in pounds.

It is obvious that the size and value of this gap increase in proportion to the increase in population.

For instance, the size of the food gap was 1.7 million tons in 1960, valued at \$150 million, which increased in 1980 to 7.4 million tons, valued at \$1,900 million.

Cement is an example of the widening gap in nonfood commodities. It amounted to about 8.5 million tons valued at more than \$320 million this past year.

Other reasons for spiraling prices in Egypt include the pound's low exchange rate and the ever-increasing need for imports causing prices to rise. There is a domestic inflationary side to escalating prices resulting from the low purchasing power of the pound which caused its devaluation more than once. The value of the dollar has gradually risen from 84 piasters to 135 to 180 to reach a recent free market price of 230 piasters.

The citizen is mainly interested in the solution to the problem. How do we confront high costs and ensure a supply of goods at reasonable prices?

The study mentions that because the major and primary solution lies with production, the state has lately given priority to expediting the reform of certain economic

and fiscal policies and to correcting the pricing mechanism in order to encourage producers; rationalize consumption; stimulate market forces; correct the negatives of credit ceilings, interest rates, and the great disparity between interest on deposits and on loans; and control the excessive cost of goods and services and the concentration of manpower in government service and the public sector. Marketing techniques must be developed in order to terminate monopolies and middlemen and increase supply, since the current inflation is accompanied by economic recession.

But how to go about all this in order to control spiraling prices?

The study recommends direct short-term steps as well as long range approaches.

In the short term, the general budget must be reformed to cut the deficit by reducing unnecessary government expenditures and increasing true resources and using them for development projects with fast and direct returns. Foremost among the ways to accomplish this:

- Survey state-owned land in the cities and villages as well as reclaimable desert acreage and sell them at public auction with due dispatch and flexibility.
- Survey dead government and public sector inventories and sell them at public auction. The proceeds would go to the treasury and help defray public sector debt, thereby providing lending banks with new sources of credit to other investment sectors.
- Experiment by selling some public sector companies to their workers as stocks and bonds, following the example of many other nations, capitalist and socialist. This does not mean the liquidation of the public sector and its companies; rather to restructure it in order to increase efficiency and profitability and make new investments possible.
- Issue treasury bonds and offer them to the public at respectable interest rates exempt from corporate taxes.
- Remove the remaining obstacles to investment in order to attract more investment, especially from sister Arab countries.
- Reduce government investment spending to the limits of available resources, increase the efficiency of identifying and implementing projects, and give priority to the more important and pressing among them.
- Speed up the reformation of public sector companies in light of comprehensive studies already undertaken.
- Restructure stumbling companies in an attempt to reform their fiscal structures and turn them into more profitable units.
- Correct the concentration of manpower in government service and public sector companies by creating new job opportunities on the outside to absorb the unneeded surplus of workers.
- Help the banks recruit and attract savings by adopting realistic Egyptian pound-denominated interest rates.

- In view of proven cost exaggerations, economic accounts must be constantly reviewed.
- Rationalize the consumption of goods and services, especially those which are subsidized, by resorting to nontraditional substitutes, altering consumer habits and traditions, and reducing the price of staples in particular by terminating waste and spoilage and exaggerated costs. Consumer protection associations and cooperatives could play an important role in this regard, side by side with official agencies.
- Develop marketing and distribution techniques and reevaluate methods employed by middlemen, wholesalers, retailers, etc.

Long-range steps to confront and control spiraling prices are:

- The rate of monetary expansion must correspond to the real growth rate of gross domestic product. The central bank should resort to direct oversight to control monetary expansion.
- As far as fiscal policy goes, the budget deficit must be reduced to correspond to the gross domestic product and should be financed by publicly subscribed government bonds at commercial rates.
- Wages must be tied to productivity. Tying them to prices causes a vicious cycle involving inflation, prices, and wages. Considerations of skill and level of ability would therefore be of the essence.
- In foreign dealings, we must reform structural weaknesses and chronic shortages in the balance of payments because of the impact it would have on resolving this terrible problem of spiraling prices.

#### **Electricity Minister on Energy Problems, Prospects**

JN0511192988 Cairo AL-AHRAM in Arabic  
4 Nov 88 p 7

[Article by Usamah Saraya]

[Excerpts] I met with Eng Mahir Abazah, minister of electricity and energy, whom I consider to be one of our most energetic ministers. He began by saying to me: "First of all, I would like to emphasize that we do not lack the necessary funds for the establishment of new power stations. This is in spite of the previous veto placed by the World Bank and USAID which link the establishment of new power stations to the increase in the price of electricity. We cannot do so at the present stage because the price of electricity is now high if compared to the income of Egyptians. It is also in line with the price of electricity worldwide. Agreements were reached with France, Japan, Canada, and the African Bank to finance the establishment of new power stations, and the implementation of these electricity projects and cooperation with these countries is proceeding in accordance with these agreements." He added: "We are also holding contacts with Arab organizations for the same purpose." With respect to the price of electricity in Egypt, which has become a polemic issue, Mahir Abazah

said that the price of electricity in Egypt is reasonable and somewhat considerable when compared with the income of the majority of Egyptians. "We must certainly support those in the low-income bracket. We have raised the price of electricity for those who have sizable incomes. The people positively responded to this measure. Electricity consumption was down by 2 percent last year. Thus, the annual increase in electricity consumption came down from 12 to 10 percent. This is a great achievement which was attained thanks to the people's awareness of our current economic circumstances. We raised the price of electricity for those who have sizable incomes, which made the price of electricity in Egypt come in line with those prices observed worldwide. As for the price of electricity for those in the low-income bracket, it continues to be subsidized. They pay 18 milliemmes for each of the first 100 kilowatts, and 8.5 pounds for the next 300 kilowatts. Prices increase gradually in accordance with consumption. The average price has become 40 milliemmes while the average price worldwide is 150 milliemmes. In accordance with the steps taken, 1.5 percent of the population pays the price of electricity that is paid worldwide." He said: "These prices are reasonable and we cannot further raise the price of electricity without increasing salaries."

"Therefore, the pressures that are being brought to bear on us are unjustified. Those who are calling on us to raise the price must review their studies in light of the economic situation in Egypt."

On the situation in the field of energy production following the resumption of operation of the High Dam power station at full capacity, Mahir Abazah said: "We can now produce 45 billion kw/hour while consumption ranges between 39 and 40 billion kw/hour and does not exceed this figure. Therefore, we feel satisfied, but we are passing through a period during which we are catching our breath, and we must do our best to increase production so that it will be commensurate with the economic growth and consumption needs."

Eng Mahir Abazah concluded his statement by saying: "I would like to stress that our negotiations with the World Bank and USAID will continue to convince them of the current circumstances and that the price of electricity is fair and balanced. We will also conduct joint studies with them because we are interested in the assistance they offer, particularly considering that the Americans offer their assistance as nonrepayable grants. Our negotiations with the World Bank will continue to finance new power stations. We will also hold extensive negotiations with lending parties in Japan, the FRG, and France, as well as with the Arab funds which resumed their activities in Egypt through their participation in many Egyptian projects."

### Conference Discusses Oil Agreements With Foreign Companies

45000035 Cairo AL-AKHBAR in Arabic 28 Sep 88 p 6

[Article by Khalid Jabar]

[Text] Chemist 'Abd-al-Hadi Qandil, minister of petroleum and mineral wealth, has announced that the volume of foreign investments for oil exploration in Egypt is approximately \$1 billion, and that these investments are continually increasing despite the drop in world prices as a result of political stability in Egypt and because "we honor their agreements."

He said in yesterday's conference of the International Conference on Mining and Petroleum that the cost of exploratory drilling had dropped after prices fell and the average cost of producing a barrel of crude oil hit \$1.50 as a result of the successful policy of overseeing foreign and joint companies' expenditures. Also, the rent per day for drilling fell to \$12,000 after it had been \$40,000 when the price per barrel of oil was \$40.

Geologist Salah Hafiz, vice president of the petroleum authority, said that Egypt has now signed 153 agreements for oil exploration and is currently exploiting regions that have not been explored before. The average number of agreements signed annually totals approximately 14, and this has multiplied over the last 3 years in which world oil prices fell.

Dr Mustafa Sha'rawi, president of Khalidah Oil Company, said that Egypt now owns 87 productive fields, and that the number will increase this year. Over the last 5 years, 46 oil discoveries have been turned into productive fields.

### Arabs Requested To Finance Arms Industry

JN1011203088 Cairo AL-WAFD in Arabic 8 Nov 88 p 1

[Text] AL-WAFD has learned that Egypt has held intensive contacts with Arab states to discuss the possibility of their participation in financing some Egyptian military industries, particularly the project to produce the U.S. M1A1 Abrams tank in Egypt. It is expected that some Arab countries will channel some of the aid they devoted to Iraq in its war with Iran to support the military industries in Egypt.

AL-WAFD has also learned that a number of Arab states have asked Egypt to provide them with air defense systems of the Sinai-23 type and 'Ayn al-Saqr surface-to-air missiles, which are considered an advanced type of the Soviet SAM-7's.



**Labor Party Leader on Opposition Ties**  
*JN0811155788 Kuwait AL-SIYASAH in Arabic*  
6 Nov 88 p 11

[Interview with Ibrahim Shukri, leader of the Egyptian Socialist Labor Party, by Muhammad Mustafa, in Cairo—date not given]

[Excerpts] [Passage omitted] [Mustafa] How do you assess your current relations with the other parties such as Al-Wafd and the National Progressive Unionist Grouping [NPUG], and why does the Al-Ummah Party always break ranks?

[Shukri] In fact, we always try to have good relations with the Wafd because we agree with them on issues related to freedom, democracy, and some necessary amendments to the Constitution. We sometimes have differences on some issues discussed at the People's Assembly. However, in general, we try to have good relations. Regarding the NPUG, we respect the leadership of Khalid Muhyi al-Din, and we consider him an important personality in Egyptian life. I can say that the various streams included in the NPUG agree with us on several actions. Some of them might have commented on our behavior or our allies' behavior. We do our best to maintain our relations within the framework of the points on which we agree. We crystallize these points, give them prominence, and deal with each other in accordance with them.

Regarding the Al-Ummah Party, I say that this party's actions could surprise us, as happened recently when we agreed to boycott the local council elections. However, without consulting us, it announced that it will enter these elections. [passage omitted]

[Mustafa] Is the general formula of the alliance of the opposition parties still valid, or has it been amended?

[Shukri] At the beginning it was clear that the alliance means that we face certain circumstances and that there are elections ahead of us. The alliance seemed to be useful to the parties that have joined it. As for me, I had hoped that the alliance would be on a larger scale to include all opposition parties. However, this did not take place, and what took place proved that we were right when we made this call, and that the objective that was not achieved could have been achieved. I mean to give special importance to the opposition regarding its influence in the People's Assembly and to give special consideration to its opinion regarding any important decision that requires the votes of two-thirds of the assembly's members. We did not achieve this objective. However, there is an opinion that it could have been achieved had all the opposition parties been united, and regardless of what the government may do, this line that the opposition should not exceed could have been

exceeded. Despite this, I can say that what happened in the elections encouraged us to abide by the formula of the alliance, defend it, and develop it into any continuous thing for future battles.

[Mustafa] There has been some talk on that some streams in the alliance seek to control the policies of the [Labor—FBIS] party. What is your opinion?

[Shukri] Any party that runs its affairs in accordance with democratic methods can include different opinions. There is no doubt about this. However, a decision should eventually be reached following the discussion of every issue. This decision is the majority decision. We are concerned about this. The party moves in light of this decision. We are also concerned about making some [word incomprehensible—FBIS] in the party before those outside the party, [word omitted—FBIS] not believe that we want our brothers in the alliance to have a direct influence on the party. They have their group, tradition, and conditions, and this is clear. We might issue a statement, and they might issue another statement.

[Mustafa] Do you believe that this is a healthy phenomenon from an organizational party viewpoint?

[Shukri] Yes, it is a healthy phenomenon so long as the merger has not yet been announced. However, it will not be so if it is announced. The merger among the Labor Party, the Liberal Socialist Party, and the Muslim Brotherhood has not yet been announced, and therefore they can have their own statements on various occasions. We welcome publishing them in our newspaper. From a practical viewpoint, I believe that those who seek to make our party popular and broad-based always come up with a good formula in accordance with which there is cooperation with our brothers in the alliance with special emphasis on the points distinguishing the Labor Party from others.

[Mustafa] Some observers believe that the party has recently taken an Islamic trend. Has the Islamic tendency influenced this?

[Shukri] This is a subject that confuses many people who did not know the Misr al-Fatah movement during its early days. However, we do not become confused because we do not find anything new in this matter. In the recent elections, the alliance announced that some of the roots had returned to their original positions. Probably more than once, Ahmad Husayn proposed to martyr Hasan al-Banna joining the two movements. However, there were some at the time who believed this not to be in the interests of both sides.

History also records that this relation witnessed agreements. It witnessed competition at times and rapprochement at others. But the religious trend existed in the party from the very beginning. Our faith in God and belief in Him is a principal element. Man cannot have

good relations and ties with people and his country if his relation with God is not correct. Therefore, the individual's upbringing is very important in our view.

I call on all Egyptian citizens, including the Copts, to preserve their religion and to perform their prayers. They must know that this homeland is responsible for them, as it is responsible for the others. If the majority of the Egyptians are Muslims, then naturally there will be more talk about Islam than others. In addition, we believe that an Islamic basis can establish a major civilised project for Egypt and the Arab and Islamic worlds.

[Mustafa] But how do you view the future of this alliance?

[Shukri] This will depend upon sincere effort exerted by party members to understand the reality of the situation. Do they really want to become the leadership of a current that is welcomed by the masses? Egypt needs a plan on which people can agree. This plan will not conflict with our understanding of religion's bases and roots and the concept of the principle that must govern the citizen's relation to his society, the rulers' relation to the people, and the people's relations among themselves. Islam organizes all this.

What created certain suspicions about a change in our direction was the word "socialism," which we used as a label for us before the revolution during the period that followed the Misr al-Fatah, Egyptian Islamic Party, and the Egyptian Socialist Party. Then came the Socialist Labor Party. Some people have separated the name and its roots. When we began, we used the term "Socialist Egypt", but all the meanings connected to this socialism that we talked about were based on Islam. The party's slogan, set by Ahmad Husayn, was: God is the people. This is a slogan that cannot be raised by a materialistic, socialist group like the Western Socialists. This word was only used to confront the circumstances of that phase under the shadow of the monarchy, feudalism, independent capital, foreign control, and occupation. The details of the word were in the program, which had national, pan-Arab, Islamic, and social dimensions.

[Mustafa] The current of religious extremists, or its groups, continuously criticizes the practices of one of your partners in the alliance. How do you view this subject?

[Shukri] This is the difference between experience and history on the one hand, and enthusiasm and spontaneous expression, which is exploited by some of those who do not wish them or our allies well, on the other. True, events are exploited to strike against the religious trend in general and to label all Islamic trends with fanaticism. They are suspicious, and I say that suspicion is a sin in some cases.

[Mustafa] Each party in Egypt has a paper to represent it, and each paper has a policy. In your opinion, to what extent does the newspaper AL-SHA'B adhere to the party's principles?

[Shukri] I do not believe that the newspaper AL-SHA'B has departed, or can depart, from the party's principles. However, there are some who believe that it can increase its treatment of controversial issues, while it was clearly evident that it was exerting a sincere effort to bridge the gap between two tendencies that look as if they are at odds, although their origin is the same and events have separated them. These are the Nasirite and Islamic trends. [passage omitted]

**NDP Committee Issues Final Statement**  
*NC0311155588 Cairo MENA in Arabic*  
*1125 GMT 3 Nov 88*

[Text] The NDP Arab Affairs Committee has reiterated its support and appreciation for President Husni Mubarak's sincere efforts to coordinate Arab stands so that the Palestinian people can retrieve their just and legitimate rights. It also underlined its support for and confidence in his wise leadership and its pride in his sincere national stands for his people and nation.

In a statement issued today, the committee expressed the Egyptian people's support for the fraternal Palestinian people and their continued backing and support for the popular uprising, until the Palestinians achieve their legitimate right to freedom and self-determination.

The committee congratulated the Egyptian people on the return of Tabá to the mother homeland, stressing that commitment to international legitimacy is the way to resolve regional conflicts.

The committee noted that what is taking place in Lebanon is a bleeding wound in the heart of every Arab who is loyal to his nation. It appealed to the Lebanese brothers to rise to the level of national and pan-Arab responsibility, to spurn their differences, and to agree on a single stand that would preserve Lebanon's identity, unity, independence, and territorial integrity. It also called on all foreign parties to take their hands off Lebanon and called on the Arab nation to take a firm stand for Lebanon's sake.

In its statement, the NDP Arab Affairs Committee stressed the need to exert all possible sincere efforts to bolster Arab solidarity, to harness the Arab nation's resources, capabilities, and potentials to serve national and pan-Arab goals, and to create real Arab integration that would logically lead to Arab unity, the cherished aspiration of the masses of our nation.

The statement added: Our Arab nation is today facing a fierce cultural challenge. It should turn the immense Arab potential into an effective tool that serves its

interests and issues and takes the regional several steps forward so that it can take its appropriate place among the civilized countries of the world.

The NDP Arab Affairs Committee held its first meeting last night and heard a statement from Dr 'Ismat 'Abd-al-Majid, deputy prime minister and foreign minister, on the latest developments in the Arab and international arenas and on the efforts exerted to resolve the Palestinian problem. The meeting was also attended by NDP Secretary General Dr Yusuf Wali.

#### **Asyut People's Assembly Member Wounded in Murder Attempt**

45000034 Cairo AL-AKHBAR in Arabic 2 Oct 88 p 1

[Text] For reasons of revenge, Engineer Uthman Kaylani, age 65, a member of the People's Assembly, was seriously wounded by shots fired at him while he was sitting in front of his house in Asyut yesterday morning. The wounded man was taken to Dayrut Central Hospital, which recommended his immediate transfer to Asyut University Hospital due to the severity of his wounds. Three suspects and the two automatic rifles they used in the incident were captured. The suspects were taken to the prosecutor's office for questioning.

Several members of the Salim family had fired several shots at him with automatic rifles, taking revenge for the killing of a teacher and his wife and son from the Salim family on the fourth day of the most recent 'Id al-Adha holiday. Security Director Major General 'Ali al-Banna came to the scene of the incident and took the wounded man to the hospital.

#### **Mubarak Appoints New 2d Army Commander**

NC0811121988 Cairo MENA in Arabic  
1152 GMT 8 Nov 88

[Excerpt] President Husni Mubarak, the supreme commander of the Armed Forces, has issued a decree appointing Staff Major General Ahmad Muhammad Wahdan as commander of the 2d Field Army. He will succeed Major General Muhammad Husayn Tantawi, who has been appointed as commander of the Republican Guards. [passage omitted]

#### **Naval Commander Discusses Modernization Program**

45040033 Cairo AL-JUMHURIYAH in Arabic  
12 Oct 88 p 3

[Interview with Vice Admiral Muhammad Sharif al-Sadiq by Jamal Kamal and Muhammad 'Abd-al-Majid; date and place not specified]

[Excerpts] The October War has had a great impact on the naval arms industry and played a role in defining our naval strategy. Today, 15 years later, what stage have our naval forces reached?

Vice Admiral Muhammad Sharif al-Sadiq, commander of the Navy, was a participant in the October 1973 victory epic. Now he is participating in a plan to upgrade and build our naval forces, and we had the following interview with him.

[Question] There is no doubt that the October 1973 War has had a great impact on the naval arms industry in the world, and at the same time has put forth certain visions of the Egyptian Navy's concept and role. Today, 15 years following the October War and based on our perception of potential threats, what benefits has our navy derived from the October lessons amid the frightful developments in naval weaponry?

[Answer] The fact is that after the October 1973 War we were faced with a series of considerations and circumstances that compelled us to consider the fact that the majority of our naval weapons relied primarily on the Soviet Union—weapons that were no longer suited to the great developments in the arms industry brought about by the October War—and that it was necessary to keep up with these developments in conformity with the operations theater and our neighbors' capabilities. This is in addition to the high cost of naval weaponry compared to any other weapons system.

These considerations and circumstances imposed on us a difficult equation in how to reconcile our capabilities with the threats surrounding us. We also had to look at the repercussions of the world and local economic situation that dictates rationalization of military spending. Hence, our Navy development program included plans to modernize existing equipment and systems; plans to raise the level of training, technical support, and maintenance; plans to upgrade our means of defense against submarines and mines and our warning, reconnaissance, electronic warfare, and command and control systems; and plans to acquire certain modern naval weapons systems with combat and technological capabilities to keep pace with state-of-the-art developments in the field of naval weaponry. In fact, following the October 1973 War, Egypt obtained missile corvettes of the "Descubierta" class, equipped with Harpoon and Aspide missiles and anti-submarine Stingray torpedoes, as well as Ramadan and October missile motorboats, equipped with Otomat missiles, and Otomat coastal defense missile batteries. Hence, we have been able, in the wake of the October War, to rebuild our Navy all over again.

[Question] Is the post-October War naval development program in keeping with the political and military leaderships' concept of achieving deterrence and a military balance with potential threats?

[Answer] First of all, we must agree that the ability to obtain all kinds of arms which any developing country needs is beyond the means of the richest countries. Hence, precedence must be given to weapons systems. [passage omitted] Then reliance on the most efficient

and reliable state-of-the-art technology requires a tolerable level of efforts based on the available human and economic data. It is an option to which Egypt has adhered by acquiring a force which, if attacked, can inflict heavy losses on the enemy; or, it is what may be called deterrence. As for military balance, we have been highly successful in realizing it through a process of combining quantity with quality, which is the reason why the Egyptian Navy has witnessed constant and continual development to achieve the two concepts of deterrence and balance. [passage omitted]

[Question] To be sure, to accomplish the missions the Navy has agreed to undertake, large amounts of money must be spent on training and equipment. How was the Egyptian Navy able to solve the equation between requirements and capabilities in view of the trend toward rationalization of spending?

[Answer] [Passage omitted] By and large, we have actually been able to upgrade many naval weapons systems with state-of-the-art equipment by providing them with arms that fit our needs. Egyptian expertise has introduced many modifications to the Descubierta corvettes, and there is a project to upgrade the Chinese submarines in cooperation with a friendly country to raise their efficiency.

Moreover, we have taken the first steps in the joint industrialization program with friendly countries aimed at manufacturing mine detectors large enough to fit our needs. Egyptian expertise has introduced many modifications to the Descubierta corvettes, and there is a project to upgrade the Chinese submarines in cooperation with a friendly country to raise their efficiency.

Moreover, we have taken the first steps in the joint industrialization program with friendly countries aimed at manufacturing mine detectors large enough to fit our needs. The great majority of such detectors are to be manufactured at Egyptian Navy workshops and shipyards, and existing sweepers are to be equipped with an underwater drone and the appropriate sonar system, especially since this development program will not cost more than the purchase of new detectors would, and it will have at least 95 percent of the capability of the new detectors. The third aspect [as published] of raising performance levels has to do with enhancing our presence in territorial waters and the open sea by increasing the number of hours every naval unit must sail taking weather conditions into consideration in order to tighten our control over our territorial waters, establish our presence, and acquire various information and expert crews to work in our naval operations theatre.

[Question] Do we have the essential elements for manufacturing naval weapons systems?

[Answer] We have made great headway in manufacturing Alligator and Swift patrol boats employed within the naval arsenal. We have also provided the naval units

with 23 mm guns and have repaired the electronic boards of radars and naval communication equipment. Moreover, we have completed the construction of a complete missile repairs and maintenance workshop and a torpedo testing and collection workshop. The Navy's main workshops are highly equipped to begin industrialization.

[Question] There is no doubt that the eastern weapons in our possession are a national resource. What developments have been introduced for these weapons?

[Answer] That is correct. The Egyptian Navy has been able to upgrade and prolong the life expectancy of the eastern B-15 Styx missile with electronic and conduct-of-fire equipment to make it totally different from the Soviet one. We have also succeeded in upgrading the Styx missiles to keep up with the great advances in the surface-to-surface missile technology.

[Question] What progress has the Egyptian Navy made regarding the great advances in electronic warfare?

[Answer] Generally speaking, there has been great progress made in the introduction of electronic warfare means to all the armed services. The Egyptian Navy has received its share in keeping with its needs and with the advances made in electronic warfare countermeasures.

[Question] And what progress have we made in the use of seaplanes for reconnaissance or support purposes?

[Answer] As part of the cooperation program, we in the armed forces are working to coordinate among all the various services within the framework of the joint services battle. The Navy's acquisition of the Hawkeye early warning aircraft was one of the great accomplishments benefiting the Egyptian Navy and far better than using seaplanes, especially since, in the first place, these planes serve naval units.

[Question] How does the commander of the Egyptian Navy envisage cooperation and coordination with Arab navies?

[Answer] Actually, we view the Arab navies and their constant growth and development as a total strategic asset to Egypt and the Arab countries. The Arab countries can achieve integration through the acquisition of various naval weapons systems that are congruent with the potential threats. Therefore, Egypt does not see any reason why it cannot train and prepare Arab naval cadres.

#### **Politicians, Academics Examine Relationship With Israel**

45040016 London AL-HAWADITH in Arabic  
30 Sep 88 pp 34, 37

[Article By Usama 'Ajjaj]

[Excerpts] Cairo—[Passage omitted] AL-HAWADITH has talked to a number of politicians and specialists in Cairo regarding the question: What is left of Camp David?



Dr Usamah al-Ghazali Harb, of the Political and Strategic Studies Center, said: "The answer to the question on what is left of Camp David can be given in light of our knowledge of what happened at Camp David. The outcome was a treaty between Egypt and Israel under which Egypt got back Sinai and the war with Israel was ended. Under the treaty, Israel detached Egypt from the main Arab body and, consequently, the ability to deal with the rest of the parties to the Arab-Israeli conflict individually. Israel also won the recognition of the most powerful Arab state, along with that state's accepting normal relations with Israel. Therefore, we can say that what is left of Camp David is Egypt's maintaining the Sinai Peninsula in a semidemilitarized state. It cannot be said that Egypt has benefited as it should have from the return of the Sinai. It is true that good efforts have been made to begin reconstruction in Sinai but there is still a gap between what should have been done and what was actually done. Therefore, what Egypt has obtained in the Sinai is threatened by many dangers that could materialize at any moment.

"Another thing left after Camp David is the peace which Egypt obtained from Israel, after which Egypt was supposed to turn its attention to its domestic situation and problems. But here again, despite many of the achievements accomplished, Egypt's economic and social problems still exist. In the meantime the burden of armament still remains. Evidently this is because the state of legal peace with Israel does not do away with the continuing actual Israeli danger on Egypt's eastern borders. With regard to the estrangement between Egypt and the Arab countries which was foremost among Israel's gains, this has now lessened by the nature of things and by virtue of the links [with the Arab countries] that geographical, historical, and common destiny considerations dictate on the relations between Egypt and Israel."

Dr Fu'ad Mursi, chairman of the political committee at NPUG, referring to what is left of Camp David, said: "What is left is the Israeli flag and the Israeli ambassador. Normalization of relations is continuing, although on a limited scale. The previous enthusiasm for Camp David has come to an end after it has become clear to all the parties that any dealing with Israel is rejected by the Egyptian people. Camp David was presented to the Egyptian people by the three partners—al-Sadat, Begin, and Carter—as the way to peace and prosperity, but neither has been achieved. The Egyptian people have seen from the beginning that there will be no peace for Egypt and the area unless it is a comprehensive peace. There is ample evidence for this. So far there has been no solution to the Palestine problem, no reduction in military expenditure, and even the dream of prosperity has not been realized." [passage omitted]

Counselor Wahid al-Dali, chairman of the Arab and Foreign Affairs Committee at the Egyptian Consultative Assembly, said that Camp David "has become history because agreements generally are supposed to deal with problems and find solutions for them. With the passage

of time, if problems are not solved they become history. For this reason the Camp David accord has lost its effectiveness and dynamism. What is left of the accord is the fact that Egypt is still sincerely and earnestly seeking to find a solution for the Palestinian problem. It calls for the achievement of the Palestinian people's right to live in peace and within an independent state of its own through the convening of an international conference."

The consensus among all those to whom AL-HAWADITH spoke is that certain positive aspects of the official attitude have contributed to limiting the effect of Camp David by ending normalization of relations with Israel. Dr Usamah al-Ghazali Harb said, "It must be admitted that relations between the two countries are minimal. What is important is that this minimal relationship is the subject of an 'implicit agreement' between the Egyptian people and the government. This has been proved by practical experience during the past years. It has been established that there is a limit to the development of relations between Egypt and Israel as long as Israel sticks to its intransigent attitude toward the Palestinian problem. The Egyptian regime's success in restricting the ties with Israel is due to the fact that senior Egyptian politicians are generally aware of the strategic Israeli danger and of the strategic need for Arab-Egyptian solidarity.

Dr Fu'ad Mursi said, "There is no doubt that the Egyptian regime has been influenced by the people's view and its opposition to the agreement. Under Husni Mubarak's regime, it has been clearly stated that the agreement provides no solution for the Palestine problem. It was President Mubarak himself who said that the Camp David agreement was dead and finished."

As for Dr Hilmi Murad, deputy chairman of the Labor Party, he asserted that agreements under the normalized relations, which included tourism and trade agreements, have been frozen by Egypt because it is impossible to attain normalized relations on a popular level. The people refuse to deal with Israel because of its aggressive stands, its expansionist designs, and its intransigence over finding a solution for the Palestine problem. Comparing the Egyptian government's attitude in al-Sadat's era and that of Mubarak's era, we would certainly find that the desire is to "keep relations between the two governments cool." So far President Mubarak has refused to visit the Israeli entity. He also does not wish to welcome a visit by Shamir. The process of normalization of relations has faltered because of the Egyptian stand. Yet the Israelis on their part are constantly trying to revive them by sending touristic delegations to Egypt and buying Egyptian oil.

Ambassador Taha al-Farnawani [in charge of Palestinian affairs at the Egyptian Foreign Ministry] throws a new light on the Egyptian regime's positive contribution in the Mubarak era. He said, "During eight years in which I attended conferences to discuss the Palestinian problem as a member of an Egyptian delegation, Egypt

supported the move to find a comprehensive and lasting solution for the Palestinian problem in which all the parties concerned, including the PLO as the legitimate and sole representative of the Palestinian people, would participate. The idea of reviving Camp David was absolutely never brought up. During these conferences, the Egyptian view was that if Cairo at one time and under certain circumstances agreed to act according to this agreement, it has always made it clear that it does not speak on behalf of the Palestinian people and that it agrees with what the Palestinian people's leadership and legitimate representatives decide with regard to the Palestinian people's right to self-determination and the establishment of a state of its own. Thus we have overcome the difficult situation that followed signing of the agreement, especially since Egypt noticed during the negotiations on autonomy that Israel was trying to alter this concept and to renege on what it has pledged. In fact it has insisted that autonomy should be purely administrative. It has also refused to implement many of the undertakings provided for in the agreement; it did not release Palestinian prisoners and did not honor the pledge regarding the repatriation of a large number of Palestinian refugees. It has also taken administrative and legal steps with regard to Jerusalem and the Golan which are quite contrary to the agreements. The U.S. has been unable to influence Israeli thinking, which has led to the suspension and subsequent failure of the negotiations." [passage omitted]

Dr Fu'ad Mursi said that the official Arab refusal to join the Camp David framework was a positive action. Egypt's future can only be with the Arab world. What the Arab world decides is what determines Egypt's relations with Israel. Therefore, the situation between Egypt and Israel cannot be discussed as a separate matter, for Egypt is the biggest and fundamental part of unified Arab action.

Trying to delimit the Egyptian-Arab-Israeli triangle and the reciprocal effect the Egyptian-Arab relations have on the Egyptian-Israeli relations, Dr Usamah al-Ghazali Harb says, "This is absolutely not true. The essential point is that we differentiate between the treaty as a legal 'fact' and the actual reality. In light of this, the Egyptian-Israeli relationship can be viewed in terms of its actual development. Putting much trust in the legal existence of the treaty is wrong, for in the final analysis it is only an expression of a state of balance of power between two sides that existed at the moment it was signed. The greater the change in the relative power of both sides, the more the treaty becomes a formality, or of a lesser weight than it used to be."

Hilmi Murad said, "It is wrong to build Arab-Egyptian relations based on desires or emotions, or based on a perception of Israel's stand as inevitable and unalterable." He calls for strengthening Arab-Egyptian relations and boosting cooperation and integration ties because this is the era of big powers. The idea of strengthening ties with Israel should never be discussed or even contemplated.

Counselor Wahid al-Dali says that the future of relations between Egypt and Israel depends on resolving the Palestine problem in a manner satisfactory to the Arab side and solving bilateral problems. He said: "Relations between states and peoples cannot be based on treaties and provisions but on good will. If Egypt and the Arab world felt that Israel has good intentions and wishes to live in the area in peace, then treaties will become superfluous."

According to Ambassador al-Farnawani, it cannot be imagined that there will be normal relations between the two sides unless the Israeli people take a stand against those extremists in its leadership who reject peace, and clearly declare that they want to live in peace, withdraw from the occupied territories, and welcome the establishment of an independent Palestinian state. It cannot be imagined that good bilateral relations can be established [with Israel] without taking Egypt's Arab relations into consideration.

### **Bani Suwayf's Governor Orders Liquor Stores Shut**

*Cairo AL-NUR in Arabic 14 Sep 88 pp 1, 2*

[Article by Muhammad Hilmi]

[Text] Major General Muhammad Husayn Madin, the governor of Bani Suwayf, ordered the closure of all stores, establishments, and production facilities involved in producing and selling liquor in the governorate, and the suspension of their operating permits. Madin also granted a 2-month grace period, ending on 24 October, to owners of liquor stores, establishments, warehouses, and production facilities so that they can substitute their activity with other legal commercial activity, for which permits will be issued by the governorate.

The order issued by the governor of Bani Suwayf also includes the deletion of all stores, warehouses, production facilities, and establishments involved in the sale and production of alcoholic material and beverages from the list of commercial and industrial businesses.

Maj Gen Muhammad Husayn Madin, the governor of Bani Suwayf, issued instructions to all local units in the centers and villages of the governorate to implement the order immediately.

AL-NUR met with the governor of Bani Suwayf, who emphasized that he will personally monitor the implementation of this order. He stated that the closure of liquor stores came in response to a strong popular desire, and a popular request submitted by the local people's council in the governorate. He added that he was obliged to respond to the citizens of Bani Suwayf.

The issuance of this order stems from a request submitted to the Bani Suwayf local council in December 1985 by Mahmud Sami, a member of the council, in which he

requested that liquor stores and factories be closed, and that permits not be issued or renewed for the sale of liquor as stipulated by the second paragraph of the constitution, which affirms that the Islamic Shari'ah is the principle source of legislation.

Sami stated that the Shari'ah prohibits alcohol, and therefore, it was necessary to prohibit its sale. As a matter of fact, the council responded with a consensus vote in its session of 14 January 1986, and recommended the suspension of vending permits granted to liquor stores, and that the stores be closed. The recommendation was referred to the religious committee of the governorate's local council. It too recommended the closure of liquor stores in its session of 5 March 1986, and submitted its recommendation to Justice Isma'il al-Jawasaqi, the governor of Bani Suwayf at the time. Al-Jawasaqi in turn sent an official letter on 16 April 1986 to Eng 'Abd-al-Rahman Labib, the minister of housing at the time, in which he stated that Law No. 53 of 1954, regarding industrial and commercial businesses, stipulates in its first paragraph that stores, warehouses, factories, and establishments involved in the sale and production of alcoholic beverages are included on the list of industrial and commercial businesses.

In a letter to the former minister of housing, the former governor of Bani Suwayf requested that these businesses be deleted from the list of industrial and commercial businesses, inasmuch as the law confers this prerogative exclusively on the minister of housing.

However, the minister of housing did not reply to the letter of the former governor of Bani Suwayf, and the issue would have died had it not been for the local people's council of Bani Suwayf, which submitted a new recommendation to the new governor, Maj Gen Muhammad Husayn Madin, who welcomed this popular request, and used the authority conferred on him by the president of the republic to issue the courageous order to close liquor stores.

An authorized representative of the local council of the governorate of Bani Suwayf, Maghazi Ahmad 'Abd-al-Karim, stated that the council remained determined to close the liquor stores until the governor of Bani Suwayf, Maj Gen Muhammad Husayn Madin, responded by issuing a courageous order to close these stores because Islam is the official state religion, and the principles of the Islamic Shari'ah are the main source of legislation. He added that this order will receive the satisfaction and gratification of the citizens of Bani Suwayf, because it implements the teachings of the Islamic Shari'ah.

Mr 'Abd-al-Karim praised the Islamic position taken in the governorate by order of Maj Gen Muhammad Husayn Madin, the governor of Bani Suwayf, and considers it a step toward the application of the Islamic Shari'ah.

The chairman of the Islamic Call Association in the governorate, and a former member of the people's council, Hasan Judah, stated that he welcomes this courageous order, which has long been awaited by the citizens of Bani Suwayf. He added that he submitted a request to the Minister of Housing and Construction, Eng Hasaballah al-Kafrawi, to transform the liquor factories into food production factories. He also requested that all Egyptian governors follow the course set by the governor of Bani Suwayf by ordering the closure of liquor stores in their governorates.

Shaykh Mamduh 'Ali 'Abd-al-Hafiz, the Imam of the Bani Qasim Mosque, stated in a sermon that the order is a significant step toward applying the Islamic Shari'ah, and that liquor must be banned in all of Egypt in order to inspire confidence in the people regarding the government's direction vis-a-vis the application of the Shari'ah. He added, "We are loyal soldiers behind Maj Gen Husayn Madin, the governor of Bani Suwayf, on this righteous path; we pray that God grant us success, and we request the governor to pursue the decision until it is implemented!"

Ahmad 'Id, the leader of the (conveyance group?) in the governorate of Bani Suwayf, stated that the governor's order gratified all Copt and Muslim citizens, who received it warmly. He added that he prays that God grant success to the energetic governor, who is working seriously and sincerely for the benefit of the citizens of Bani Suwayf.

#### **Law Enforcement Agents Seize Illegal Weapons in Qina**

45000031 Cairo AL-AHRAM in Arabic  
14 October 88 p 16

[Report by Ilham Sharshar]

[Text] An intensive campaign in which the Security Directorate, the Public Security Office, and the Interior Ministry's Investigative Police participated for 4 days in Qina Governorate was able to capture 540 unregistered weapons, 11 fugitives from criminal indictments, a factory for weapons production, 23 individuals indicted in narcotic cases, and a number of individuals indicted in provision supply cases.

The campaign was begun under the direction of Major General Zaki Badr, minister of the interior, for the purpose of eradicating blood feuds, limiting crimes of revenge, and eliminating various criminal phenomena and centers. Also, it was initiated in order to capture convicted and accused fugitives, black market merchants, and those indicted in public morals cases. Major General Mamduh Bura'i, director of Public Security, supervised the campaign, in which Major General Muhammad 'Abbas, director of the Ministry's Investigative Police, participated, as well as two representatives from the Public Security Office, Major General Hilmi al-Fiqi and Major General 'Izzat al-Sunbati, and Major

General Salah Niyazi, director of security in Qina. The campaign resulted in the capture of 540 unregistered weapons belonging to various blood-feuding factions and to criminals labeled as dangerous. Also captured were 3 (grignot) cannons, 57 Port Sa'id machineguns, 55 automatic rifles, 30 Enfield automatic rifles, 15 German rifles, and 11 Italian rifles. A factory for manufacturing local weapons was also discovered at the home of the accused al-Badri 'Abd-al-'Aziz, in which 17 weapons and 243 rounds of live ammunition were found.

Also captured were 11 accused of being fugitives from the criminal courts, 484 accused of misdemeanors, 557 accused of evading fines, 2,051 accused of violations, and 2,063 AWOL from the military service.

Also captured were three individuals who burglarized al-Manshiyah School and four who stole a water pump.

**Investment Banker Confesses to Irregularities**  
*NC1211144588 Cairo MENA in Arabic*  
1358 GMT 12 Nov 88

[Text] Ahmad al-Musilhi, judge of petitions at the South Cairo Court, has ordered the continued detention of Ahmad Fathi 'Abd-al-Fattah al-Rayyan, chairman of the board of the Al-Rayyan Companies group, for 45 days pending the result of ongoing investigations by the financial and commercial affairs prosecution.

During a court hearing, the prosecution requested the continued detention of the defendant on the grounds that investigations into the case are still under way and that his release may compromise the course of investigation. The prosecution mentioned that dividends paid to depositors with the Al-Rayyan investment group were being dispensed from the company's main assets. The prosecution said that Ahmad al-Rayyan has confessed that 900 million pounds which were expended in dividends were actually deducted from the capital deposited by the investors. He also confessed that the investments launched by the company earned no profits.

At the same session, the defense for Ahmad al-Rayyan demanded that he be released, arguing that his release would better safeguard the money of the depositors.

**Housing Authorities, Citizens React to New Housing Law**  
*45040225 Cairo AL-AHRAM AL-DUWALI in Arabic*  
8 Aug 88 p 3

[Article by Madihah al-Nahrawi]

[Text] The Ministry of Housing has put out a new law regulating the landlord-tenant relationship. This law embodies a tangible reality the Egyptian citizen has lived with for the last 15 years.

Whereas the new law has been put forward for discussion by the various parties, indications underscore the positive aspects of this law, which does away with the closed apartment phenomenon and treats landlords equitably inasmuch as it looks after the interests of tenants.

What are the features of this law, and what do housing experts and specialists say about it?

**Terminable Contract**

Mr Husni Amil, undersecretary of housing for new community development affairs, says: "The new law hinges upon three crucial points for working out solutions to housing problems in Egypt. The first point is optimal utilization of the closed housing unit inventory, estimated at close to 1.8 million closed apartments which well-to-do parents have reserved for their children, some of whom have not yet reached the age of 5. This means an apartment is kept vacant for a full 20 years, thus causing the building's foundations, utilities, and drainage system to wear out because it has been established that periodic use of a building lowers the annual rate of deterioration from 5 to only 3 percent.

"Hence, the new law allows landlords freedom of action through a terminable contract concluded between landlord and tenant, whereby the lease would be terminated at a mutually agreed upon time and the landlord would be able to regain control of his property. This feature allows a large segment of society to take advantage of the available apartment inventory.

"The second point is finding solutions to age-old problems between landlord and tenant. It is based on the changes Egyptian society has experienced in the last 15 years. These waves of change have created a situation where a 4-room apartment that rents for 4 Egyptian pounds a month sits next to an apartment which rents for 300 pounds a month and may cost 1,000 pounds a month to buy, generating much resentment between landlord and tenant.

"Consequently, the law provides for a rent increase of three different rates of between 5 and 25 percent, depending on the age of the building, spread over 5 consecutive years, and a periodic increase of 3 percent a year to be put into effect 10 years after construction is completed. Meanwhile, the law dealt with needy cases of tenants unable to cope with such hikes by allocating a percentage of this increase to a central fund to provide aid to the needy, based on sociological studies.

"The third and most important central point is the idea of setting aside only one-third of a building for sale and two-thirds for rent. This means that those who cannot afford to pay the high cost of buying can release their dwellings, a system that can satisfy those greedy landlords who keep their buildings vacant for up to 10 years in hope of selling them at inflated prices.



"At the same time, the law maintains the landlords' right to recover expenses by allowing them to receive a down-payment on rent and setting rent at 7 percent of the value of the building with an annual increase of 3 percent to go into effect 10 years after construction is completed. Simultaneously, the law guarantees landlords the right to offer their apartments for sale to tenants at a price ranging from 50 to 150 times the annual rent, depending on the age of the building. This is equitable to both sides and achieves the fourth central point, namely putting real estate resources back into circulation so that tenants may start over again in a new building and the landlord can have the freedom of disposing of his property by either renting, selling or bequeathing it."

Dr Milad Hanna says: "From my point of view, the law identifies and solves problems that have cropped up in the last 20 years between landlords and tenants, giving rise to conflicting goals reflected in reduced utilization of the existing real estate resources. The bill offers numerous realistic solutions to these problems, but I do take one exception to its format, for it constitutes an addendum to the two existing housing laws, Law 49 of 1977 and Law 136 of 1981, taking, for example, certain articles from the former and amending them and rescinding other articles like rescinding the third and fourth sections of Article 8 of Law 49 of 1977 or rescinding Article 6 of Law 136 save for the last section. I believe such discrepancies in the three laws is baffling to judges, lawyers, and the public, who have to get around three laws with different texts and phraseology. Consequently, I propose that a committee of law professors and experts meet to adopt all the good and sound provisions contained in the two laws mentioned above, adding new amendments in the form of a uniform law for tenants in Egypt."

#### **Activating Real Estate Resources!**

Engineer Mahmud al-Minshawi, chairman of the board of the Bank of Housing and Construction, says: "I think the most important advantages of the new law is that it activates the real estate market in Egypt on several fronts, the most important of which is that swapping of apartment and better traffic and transportation facilities can solve at least 40 percent of the closed apartments crisis, because if one has an apartment in al-Mahallah and goes to Cairo to look for an apartment, the fear of not being able to make it compels one to hold on to the first and keep it closed. However, if a Cairo resident needs the apartment in al-Mahallah, then two housing units can be moved at once. If the public and the landlords were to realize this point, a marvelous cultural step toward eliminating the vacant apartment phenomenon would have been achieved."

"The second point that would help real estate activity is the establishment in Egypt of a central real estate fund of about 11 million units, which I believe would yield high returns from one-third of the rental increase, to be used in refurbishing housing units that have been neglected or

abandoned by bankrupt or fugitive landlords, like some contractors for instance. I know of concrete buildings that stay vacant for over 10 years due to lack of funds, so if the central fund were to refurbish them, they would make a good addition to the housing units, and the fund thereafter could recover its expenses from the buildings' proceeds."

"Regarding Article 8 of the law providing for razing buildings which are over 60 years old that would cost more than their foundations to refurbish, it is also aimed at enlarging the housing area in high activity areas in the heart of the country and at making optimal use of large areas inside the city's cordon. The law included precepts for tenants in this article."

#### **Equity for Landlords**

Engineer Ibrahim Abu Kathir, chairman of the board of a contracting company, says, "The advantage of the new law is that it lifts the grave injustice landlords have been facing with respect to old leases in particular. One time I told my landlord that I wanted to help him fix up the building, but he jokingly said that he would rather I helped him tear it down. We see a building worth one million pounds renting for 200 pounds a month, which may not be enough to meet the needs of one child in school. Consequently, I am asking that leases signed between 1944 and 1965 be raised 100 percent instead of 25 percent, and the central fund would make up the difference for the needy. This constitutes a form of social responsibility."

And now, what do tenants and landlords have to say about this matter?

Ashraf al-Masri, owner of an old building in Garden City, wonders how the 10 or 15 or 25 percent rate increase for old leases was reached. This rate must be subject to only one criterion, namely supply and demand. If rents are raised a lot at a time when many apartments are available, supply of course will exceed demand, thus bringing down prices automatically.

He adds that the 10 or 15 percent does not follow a scientific criterion, for how can the rent in an old building be less than the cost of the services offered?

Anwar 'Abd-al-Rahman, owner of an old building, says "This bill must take into consideration certain buildings built prior to 1950 that are renting for 170 piasters a month for an apartment. Naturally, this amount cannot be subject to a 10 or 25 percent increase. It must be doubled or tripled to 4 pounds, an amount within everyone's reach."

"Also, before this bill is passed, laws lowering apartment rental fees must be rescinded. Prior to these two laws, his apartments rented for 12 pounds apiece, but this amount was lowered twice to 6 pounds."

Sa'id al-Ansari, owner of an old building in Manyal, believes that the main reason for leaving apartments vacant is the landlords' desire to keep them for their offspring, although some landlords may want to sell them at a higher price in the future, especially in view of higher prices for building material. "However, if this bill calling for terminable leases is passed, we must think about where tenants would go in 5 years, which is the term of the lease, even though it can be considered a temporary residence until a permanent one can be found."

### Tenants' Opinion

Muhammad Jabir al-Tantawi, a bank employee, says that he rented his current furnished apartment four months ago in order to get married, pending delivery of the apartment which he plans to make as his permanent dwelling. As far as he is concerned, the furnished apartment is a temporary solution, but he prefers, of course, a limited term lease in accordance with the new bill because it would certainly be less expensive than the furnished apartment which is costing him 500 pounds a month.

Sahar Muhammad, who works for a company and lives with her family in a furnished apartment in al-Muhandisin, says that the new bill will in the future do away with furnished apartments once and for all, and that furnished apartment landlords will have to lease out their property on the basis of the new system and for less than the furnished ones.

'Abd-al-Salam 'Abd-al-Qadir, who has returned from an Arab country to take up residence in Cairo with his family, says that he has been living in a furnished apartment in Manyal for the last 2 months but is looking for a permanent place. The only fault he sees in the new system is the need to move the furniture from one apartment to another when the contract expires.

He adds: "The fixed term contract does not give the tenant a feeling of security and stability."

### ROSE AL-YUSUF on Investment Company Finances

JN0911124288 Cairo ROSE AL-YUSUF in Arabic  
7 Nov 88 pp 12, 13

[By Ibrahim Khalil]

[Excerpts] Ahmad al-Rayyan has prevented his accountant from convening a special meeting of the company's general assembly at point KM 26 on the Cairo-Alexandria desert highway. Al-Rayyan was against the meeting due to the expenses involved which amounted to 50,000 pounds. Al-Rayyan was also afraid the meeting would expose him before the depositors. So the accountant took up the matter with the public prosecutor, and Al-Rayyan was forced to withdraw his objection to the meeting, which was held last Saturday.

ROSE AL-YUSUF has learned that the responsible authorities have forced Ahmad al-Rayyan to sign a paper authorizing the governor of the Central Bank, the minister of economy, and the chairman of the Financial Market Board to investigate his foreign assets, which according to official reports exist in 22 foreign banks abroad.

Telexes were dispatched to all of these companies with the knowledge of the Financial Market Board, however, only three of the foreign companies—The American Express Bank, The Bank of Bahrain and Abu Dhabi, and Capcom Bank [as published] of England have so far responded. These three companies reported that they hold only 1.5 million pounds sterling.

The authorities have seized several documents revealing Ahmad Al-Rayyan's possessions at home and abroad. They include a company in Houston in the United States and others in Zurich and Geneva.

Following the death of the elder brother, Fathi al-Rayyan, the police seized his villa. Fathi was buried last Friday under police guard.

A responsible source in the Financial Market Board has said the death of the elder brother does not absolve the two other brothers of their responsibility. The source said the brothers must appear before the court whether they have decided to liquidate or not. [passage omitted]

Several members of Al-Rayyan Company's board of directors who have recently resigned from their jobs have accused Ahmad Al-Rayyan of having met with an Iranian broker abroad. They said the broker advised Al-Rayyan to purchase Al-Hilal Industries abroad. The meetings with this Iranian broker used to take place at the Golden Bay Hotel in Cyprus. It has been rumored that the Iranian broker was actually a representative of the Iranian Government.

It has also been revealed recently that several big names, including former government officials, had obtained loans from banks at an interest rate of 16 percent and that they deposited these funds at the Al-Rayyan Company at an interest rate of 40 percent. According to these rumors, a former governor and deputy prime minister were involved in such deals. [passage omitted]

### Columnist Reacts to Overcrowding Situation

45040029 Cairo UKTUBAR in Arabic  
25 Sep 88 pp 70-71

[Article by Isma'il Muntasir: "To Know Is a Much Bigger Problem!"]

[Text] A poet once said: "Not to know is a big problem, but to know is a much bigger problem!" A feeling of exasperation must have prompted and inspired this poet

to express this notion. There is nothing worse than to be aware of the seriousness of mistakes you commit and to know perfectly well the problems and troubles they can cause!

But this appears to be an ingrained hobby of the majority of the Egyptian people!

We know, for instance, that cleanliness is next to godliness and that it protects us against many diseases. Not only that, it also saves us millions of pounds the government pays out personally or on our behalf to treat illnesses and epidemics brought about by unsanitary conditions. So what have we done? We have transformed our streets into garbage dumps and polluted the river from which we drink. Even the air we breathe has been filled with everything that is bad: odors, exhaust fumes, and refuse! Whereas the government is the one that is paying the price personally or on our behalf, what it comes down to is that we alone, as a people, are bearing the costs that are taken out of basic needs.

Another example, and there are many, is that we eat away too much without a real need for the huge amounts of food we devour around the clock, even though we know that such overeating is converted to fat which our bodies store around our hearts, straining it and causing us and the government a lot of heartaches. And yet, we persist in our overindulgence, oblivious to the fact that when al-Muqawqis offered to send the Prophet a doctor, the Prophet said: "We do not need a doctor, for we are a people who eat when we are hungry and when we do eat we do not fill ourselves up."

What is strange is that we have added yet another form to such overindulgence, represented in the overbuying and hoarding of food. Naturally, garbage can devour a considerable part of this stockpile, and yet we ask ourselves where the subsidy money is going!

The most glaring example of this is the housing problem, the problem of 1.4 million souls who are added each year to our huge population and who devour 6 percent of our production growth which we work our fingers to the bone to achieve. And the problem is that we are aware of this!

For, in a study conducted with the knowledge of the Information, Education and Communication Center of the General Information Agency, it was revealed that 97.2 percent of the people had heard of family planning, as compared to only 2.8 percent who had not. What is meant by the word "heard" is that they are aware of family planning methods and, more importantly, are aware of the consequences of lack of planning. The same study emphasized that 93 percent of the Egyptian people approve of family planning. True, 77 percent of those who approve believe that family planning is permitted by religion while the rest believe that it goes against

religious teachings. Ultimately, however, the 93 percent rate is correct, underscoring the fact that the great majority approve of family planning!

Another study revealed that doctors are the best source of information on family planning. Sixty-seven percent of the people get their information from doctors, 22 percent get it from religious leaders and a small percentage, 11 percent, get it from various sources, including relatives, friends, and TV.

This study also confirms that the great majority goes after information the right way. Based on this logical effect, the great majority is supposed to be successful in planning...family planning...but this is not the case!

Yet another study also confirmed that we are well aware of the harmful effects of marriage at an early age. Medical studies have established the dangers early and frequent pregnancies can pose. This study showed that the best age group for marriage among Egyptian females is between 21 and 23, followed by 19 to 21, while the best age group for marriage among males is from 29 to 31, followed by 25 to 27.

What this means is that we have a clear indication that the Egyptian people are aware of the perils of pregnancy at an early age and of its harmful effects on the mother's health.

Nevertheless, we do not give a hoot for this!

Ninety-seven percent have heard about and are aware of family planning. Yet our women go on producing, undeterred.

Sixty-seven percent obtain correct family planning information from the doctor, and yet our women compete with rabbits in the number of children they produce!

The great majority is convinced that conception at a very early age poses a danger to very young wives and yet every mother whispers, and sometimes shouts, into her daughter's ears: "hold on to your husband by having many children." This is the biggest problem, as the poet says!

Agronomists are aware of a chicken-breeding phenomenon known as "cannibalism" which occurs when the number of chicks exceed a certain level. Scientists have set the area each chick needs for movement at about 20 chicks per square meter. If this ratio is increased by even one chick, the chicks begin honing their beaks and attacking one another causing cuts and bleeding wounds all over the place!

I do not know if scientists have applied this theory to human beings, but it is certain that overcrowding engenders a phenomenon no less dangerous than "cannibalism" among chicks.

Overcrowding makes us more irritable, more boisterous, and more quarrelsome. Overcrowding puts us under tremendous emotional stress that consumes our health and our life.

Whereas all of this occurs in overcrowding, we live our whole life under overcrowded conditions.

We are overcrowded in our homes. Our homes nowadays are smaller, have lower ceilings and accommodate a husband, a wife, and four or five children, sometimes with a grandmother. They are like a Heliopolis bus! In buses, people are suffocated by overcrowding, even though the government has tried to ease this problem by augmenting the transportation fleet. The only logical result has been to transform all the Cairo streets into a parking lot for passenger cars that do not move!

In every government or nongovernment agency, one can sense the overcrowding by employees and the public alike. The result is irritable employees who are unable to produce and grumbling citizens who rail at the employees, at the government, and at the whole world!

Our schools, our universities, our streets, and even our clubs are all overcrowded. If people live inside overcrowded homes and go to overcrowded offices in overcrowded buses and pass through overcrowded streets, they go to overcrowded parks, overcrowded cafes, and overcrowded clubs for relief for them and their families. What else can they expect other than trouble and hardship?

This is assuming that the situation will remain unchanged. But all indications point to rising rates of overcrowding with the inevitable result of becoming like chicks. The only difference is that chicks use their beaks, while we use our hands and legs to inflict the same wounds and bleeding!

Do I exaggerate?

I think not. I think that I have somewhat minimized the problem we are experiencing.

The numbers underscore this assertion, for statistics show that we are growing at a rate of 1.5 million souls a year. For example, Cairo alone, which has a population of 10 million, will have 25 million souls in 20 years. Does this make sense?

Does it make sense that the number of students—just students—will grow from 9 to 16 million in only 10 years?! Do you know that we need a quarter of a million classrooms to accommodate this number—of students, of course—which we are expected to have in only 10 years?!

Does it make sense that the number of cars that used to be no greater than 700,000 in 1980 has suddenly gone up to 1.6 million this year?! In only 8 years, this number has

gone up an average of 160 percent, which means that if this rate is sustained, the number of cars will increase to 2.4 million in less than 10 years.

Where are these being driven? Indeed, where are they being parked?

Does it make sense that today, with our population approaching the 55 million mark and with shortages in everything from needles to rockets, we will have 75 million people in less than 10 years?!

This is what statistics say. Do they exaggerate as well?!

What all of this means is that we are in a predicament, the dimensions and consequences of which are known to us all. We must try to get out of this predicament.

This is not the first predicament we must try to get out of. The examples are too many to fit in this limited space. However, getting out of this particular predicament will solve many of our problems, unless we are fond of problems. I think not!

**Editorial Accuses Israelis in Jericho Bus Attack**  
*JN0411203888 Cairo AL-AKHBAR in Arabic*  
2 Nov 88 p 5

[Editorial: "Not a New Method for Shamir"]

[Text] The attack against an Israeli bus outside the city of Jericho in the occupied Palestinian West Bank and its timing, on the eve of the Israeli elections, raises more than one question and casts shadows of suspicion on the party that committed it at this particular time to bolster its position in the elections. This is not a new method for people who have excelled in using it many times, not only in Palestine, but also in different parts of the world to agitate feelings against the Arabs.

It is no secret that agents of Israel and Zionist organizations have many records in arranging assassinations and explosions among Jewish groups in Europe in order to frighten them and force them to go to Israel in search of alleged security. Whenever the enthusiasm of Jews living in other countries to emigrate to Israel lessens, these acts were repeated. Therefore, it is nothing new if similar acts are repeated nowadays inside the occupied territories, even though the new goal is to achieve election victory for the party that is more extremist in its aggressiveness against the Palestinian Arabs.

Undoubtedly, those who planned the latest incident also aimed to weaken the strong effect created by the Palestinian uprising in the hearts of a considerable number of Israeli citizens, who did not conceal their sympathy with citizens of the occupied territories, nor their denunciation of the savage methods employed by Israeli troops in their attempt to suppress the uprising.

The PLO has done well when it immediately announced its condemnation of the attack against the Israeli bus, which was carrying civilian passengers. It also did well when it accused Shamir, the leader of the Likud bloc, of organizing it in the hope that it would allow him to win the elections so that he can implement his threats to crush the Palestinian revolution, no matter what the cost may be.

**Increase of 24 Percent in Customs Revenues**  
*45040025 Cairo AL-AHRAM AL-DUWALI in Arabic*  
*9 Oct 88 p 5*

[Interview with Customs Bureau Chief Fathi Salamah by Amal 'Allam: "Customs Revenues of 630 Million Pounds in the Last 3 Months"; place and date not given]

[Text] Customs revenues during the past 3 months (July-September 1988) were approximately 630 million pounds. As Customs Bureau Chief Fathi Salamah says, this indicates that it may be possible this year to achieve a revenue increase of 25 percent over last year. The figures confirm this. Customs receipts for 1987-88 were 2.372 billion pounds. In 1986, they were 1.907 billion pounds—an increase of more than 24 percent. The target for this year is 3.2 billion pounds.

The Customs Bureau chief said the department was studying a number of measures that would lead to greater simplification and facilitation of the customs clearing operation, particularly for private-sector imports. A system under consideration would make it possible to estimate customs duties before the merchandise arrives, following the procedure now used for public-sector imports. The department is considering changing Decree 101, regulating customs fee collection procedures for government and public-sector imports.

[Question] A question arises about import rationalization. In practice, doesn't this mean diminished customs receipts? Even assuming that this does not happen, how is it possible to balance an increase in receipts with continued import rationalization at the same time?

[Answer] We must bear in mind that the customs duty represents approximately 30 percent of government revenues and that customs are considered one of the most important effective means for achieving a number of national goals. These goals are based on controlling the movement of imports and exports; and the customs [bureau] is the agency that deals with implementing the rules for importing and exporting.

Although the role of the Customs Bureau is now limited to implementing rules regulating the movement of imports and exports, the customs tariff can have an influential role in import rationalization. This can be done by proper and careful use of customs tariff rates. These rates can be raised for goods whose importation is undesirable so as to constitute a barrier. We thereby accomplish two goals: 1) Realizing the idea of an import

ban on these goods; and 2) Allowing people of means full freedom to import them as long as they pay the high customs duty. This realizes a good return for the treasury. One lowers tariff rates on goods whose importation is desirable, such as production tools and requirements, so that the customs duty is not a negative influence on the movement of their importation. One gradually raises tariff rates on goods whose importation one desires to curb, so that whatever quantity of them is needed by the Egyptian market comes into the country but does not impact local products.

This shows that the use of the customs tariff can be an effective means of rationalizing imports. Viewpoints, however, differ on the subject. We in Egypt operate according to a system that allows use of the two methods together: the method of prohibition, and rationalization by means of the customs tariff.

[Question] You said receipts have increased even though the idea of prohibition is present. Does this mean increased duties on goods whose importation is allowed—goods which may fall into the category of necessary commodities and requirements for production?

[Answer] Despite the existence of prohibition rules which have affected the quantity of imports, customs revenues are constantly increasing. They reached 2.372 billion pounds in fiscal 1987-88, an increase of 465 million pounds (24.34 percent) over the previous year. Indications for this year are that customs receipts will increase by 25 percent. Revenues for the past 3 months were approximately 630 million pounds (414 million pounds for the months of July and August, and 216 million pounds for this September).

This increase can be traced to a number of reasons:

There has been discipline in collecting customs duties and in collecting them in due order both from the public/government sector and from the private sector. The system of restrictions, which had a great impact on customs receipts, has been ended.

Smuggling has been combatted by scientific means. The situation whereby a large portion of imports slipped into the country through illegitimate channels has been almost completely eliminated. Another important reason has been an appropriate increase in the customs exchange rate, which is gradually moving toward conformity with reality.

Until 1985, the Customs Bureau operated with an old set of procedures that had not caught up with developments in economic laws and regulations. This caused many problems between the Customs Bureau and importers. Therefore, beginning in 1985 the department turned its attention to changing many procedures and regulations.



### Customs Committees at Production Sites

[Question] Are there definite examples that will clarify this change?

[Answer] For example, import procedures have been changed to bring about rapid unloading, storage, and paperwork for paying customs duties. Previously, these procedures used to take about 2 weeks, sometimes stretching into several months. Now they take no more than 48 hours since the steps and the required time for each step have been defined. Steps required for exports have been shortened to three, instead of eight. The role of customs is now limited to ascertaining the type of goods exported. Fees on the movement of exports have been repealed. These used to be 30 pounds per ton. The Customs Bureau is now forming committees that will go to exporters at their places of production to carry out customs procedures. These procedures will not be repeated at the customs ports of exit, thus making matters much easier for exporters, and helping speed the completion of procedures.

In a related matter, all procedures in the area of temporary permission have been simplified. In particular, forms have been simplified, and a central office for the system of temporary permission has been created in each customs port of exit to facilitate dealing with exporters.

The Customs Bureau chief added that customs procedures should be marked by improvement and flexibility. The Customs Bureau is now studying the establishment of a system that will make it possible to estimate duties before goods arrive, based on documents that the importer presents. Thus, imported goods will be cleared immediately upon inspection on the basis of duties that have already been assessed, following the procedure now used for government and public-sector imports.

The department is also studying changing Decree 101, regulating collection procedures for duties on government and public-sector imports, to simplify matters and increase discipline. This would be done by expanding systems of open accounts in view of the delay that has become evident in certain National Investment Bank procedures. These procedures delay collection and sequester sums for periods longer than are normal or legal. This change may be completed shortly.

With the improvement of procedures required for clearing imports, it was necessary at the same time to improve the system of training customs workers. The Customs Bureau has therefore established a special advanced program for training. It includes:

1) Training new workers as soon as they are hired, so that they become acquainted with the nature of customs work; and

2) Training customs commissioners at the Customs Cultural Institute in more specialized studies, along with training customs leaders at higher levels using lectures by university professors and international customs experts (customs officials and experts from the Central Agency for Regulation and Administration).

Customs specialists are now being sent to visit international exhibitions in order to become acquainted with new varieties of international products and with their prices, so as to be aided in the application of duties. Upper-echelon customs officials are being sent on mission to the customs cooperation council in Brussels to follow tariff developments, latest antismuggling methods, and new customs procedures.

### Equality in Dealing With the Two Sectors

[Question] Some private-sector importers complain about discrimination in customs treatment between them and the public/government sector. What is your comment?

[Answer] Decisions about clearing private-sector imports are made quickly. At the same time, it has been noticed that government and public-sector imports are released very slowly to the extent that this has caused a problem of an accumulation of neglected goods belonging to this sector. The Customs Bureau is therefore being asked to create a quick solution for this. Briefly, the solution proposed by the department is to sell these accumulated goods either to government agencies by negotiation or by public auction. Thus, their value would in the end be added to state revenues, instead of them spoiling unutilized in warehouses.

## ISRAEL

### Reconnaissance Operations Against Palestinian Targets Undertaken

44000097 London AL-MAJALLAH in Arabic  
21 Oct-1 Nov 88 p 9

[Article; "Reconnaissance Operations"]

[Text] AL-MAJALLAH has learned through diplomatic sources that Israel recently carried out aerial reconnaissance operations on Palestinian forces and facilities in several Arab countries. This was undertaken in light of reports, ascribed to military intelligence, concerning directions by the Palestine Liberation Organization (PLO) in support of the capabilities of its military forces in these countries. The reconnaissance covered five Arab countries.

These sources mentioned that the goal of Israeli reconnaissance operations during this period was to suggest insincerity on the part of the PLO toward peace and its concentration on supporting and strengthening its military infrastructure in those countries.

## LIBYA

### Article Announces Inauguration of Major Factories

45040028 Tripoli AL-FAJR AL-JADID in Arabic  
28 Aug 88 p 5

[Article: "Inauguration of Factories, New Revolutionary Achievements on 19th Anniversary of the Great September Revolution"]

#### [Text]

1. Name of company: General Wire and Electrical Products Company;
  2. Name of factory: Fine Wire Factory;
  3. Location: Banghazi Municipality (Banghazi);
  4. Type of product: Electrical wire;
  5. Planned capacity: 18,000 m<sup>2</sup> per year (1 shift per day), 32,400 m<sup>2</sup> per year (2 shifts per day);
  6. Number of producers needed to achieve planned capacity: 75;
  7. Total cost of construction: 3,200,000 dinars;
  8. Inauguration date: 1986. General observations: The factory entered the production phase in 1986. There are 50 producers present now.
1. Name of company: Executive Organization for Electronic Industries;
  2. Name of factory: Color Television Receiver Factory;
  3. Location: Al-Zawiyah Municipality (al-Zawiyah);
  4. Type of product: 20-inch color television sets (with and without control devices);
  5. Planned capacity: 80,000 sets per year (based on 300 working days with 1 shift), 144,000 (based on 2 work shifts per day);
  6. Number of producers needed to achieve planned capacity: 350;
  7. Total cost of construction: 5,898,125 dinars;
  8. Inauguration date: 1 June 1988. General observations: Current work force is 215 producers (184 trainees, 2 regular, 7 technicians, 5 administrators, 17 engineers).
1. Name of company: General Leather Products and Industries Company;
  2. Name of factory: Gharyan Shoe Factory;
  3. Location: Al-Jabal al-Gharbi Municipality (Gharyan);
  4. Type of product: 75,000 [shoes of] summer varieties, (37,150?) men's shoes;
  5. Planned capacity: 112,500 pair per year (based on 300 working days with 1 shift), 202,500 pair per year (based on 2 shifts);
  6. Number of producers needed to achieve planned capacity: 55;
  7. Total cost of machines, equipment, and tools for the factory: 340,759 Libyan dinars;
8. Inauguration date: September 1988.
1. Name of company: General Leather Products and Industries Company;
  2. Name of factory: Tubruq Shoe Factory;
  3. Location: Tubruq Municipality (Tubruq);
  4. Type of product: 75,000 [shoes of] summer varieties, 37,500 men's shoes;
  5. Planned capacity: 112,500 pair per year (based on 300 working days with 1 shift), 202,500 pair per year (based on 2 shifts);
  6. Number of producers needed to achieve planned capacity: 55 producers;
  7. Total cost of machines, equipment, and tools for the factory: 306,581 dinars;
  8. Inauguration date: September 1988.
1. Name of company: General Leather Products and Industries Company;
  2. Name of factory: Darnah Shoe Factory;
  3. Location: Al-Jabal al-Akhdar Municipality (Darnah);
  4. Type of product: 75,000 [shoes of] summer varieties, 37,500 men's shoes;
  5. Planned capacity: 112,500 pair per year (based on 300 working days with 1 shift), 202,500 pair per year (based on 2 shifts);
  6. Number of producers needed to achieve planned capacity: 55;
  7. Total cost of machines, equipment, and tools for the factory: 303,318 Libyan dinars;
  8. Inauguration date: September 1988.
1. Name of company: General Milk and Dairy Products Company;
  2. Name of factory: Al-Amal [Hope] Factory;
  3. Location: Banghazi;
  4. Type of product: 60 tons of raw milk, plus 60 tons of dry milk per year; daily production: 60 tons of pasteurized milk, 50 tons of sterilized milk, 10 tons of yogurt;
  5. Planned capacity: 120 tons per day (1 shift), 216 tons per day (2 shifts);
  6. Number of producers needed to achieve planned capacity: 120 producers;
  7. Total cost of construction: 4,231,654 dinars;
  8. Date of commencement of production: September 1988. General observations: The contract was signed on 13 January 1985. Implementation began on 27 January 1986 and took 18 months. There are currently 70 producers.
1. Name of company: General National Spinning and Weaving Company;
  2. Name of factory: Wool and Acrylic Spinning Factory;
  3. Location: Al-Jabal al-Akhdar Municipality (al-Marj);
  4. Type of product: Mixed spinning;
  5. Planned capacity: 141,000 blankets per year (1 shift per day), 254,000 blankets per year (2 shifts per day);

6. Number of producers needed to achieve planned capacity: 75;
7. Total cost of construction: 2,734,718 Libyan dinars;
8. Date of commencement of production: 15 March 1988.
1. Name of company: National Semolina and Semolina Products Company;
2. Name of factory: Qurji Semolina Mill;
3. Location: Tripoli Municipality (Qurji);
4. Type of product: Couscous semolina, fine semolina, flour, bran;
5. Planned capacity: 280 tons per day (3 shifts);
6. Number of producers needed to achieve planned capacity: 100;
7. Total cost of construction: 2 million dinars;
8. Date of commencement of production: August 1988. General observations: Following expansion, capacity of the factory was raised from 150 tons per day to 280 tons per day. The factory is now operated by 70 producers.

1. Name of company: General National Spinning and Weaving Company;
2. Name of factory: Felt Floor Covering Factory;
3. Location: Al-Marqab Municipality (Bani Walid);
4. Type of product: Floor covering;
5. Planned capacity: 4 million square meters per year (based on 2 working shifts), 6 million square meters per year (based on 3 working shifts);
6. Number of producers needed to achieve planned capacity: 60 producers per shift;
7. Total cost of the factory: 3,671,660 dinars;
8. Date of commencement of production: 4 June 1988.
1. Name of company: General Wire and Electrical Products Company;
2. Name of factory: Plastic Granulation Factory;
3. Location: Banghazi Municipality (Banghazi);
4. Type of product: Granulated plastic for spinning electrical wires and for plastic products;
5. Planned capacity: 10,500 tons per year (based on 2 working shifts per day);
6. Total cost of construction: 2.5 million Libyan dinars;
7. Date of commencement of production: 15 September 1988. General observation: The factory will supply industrial cooperatives with plastic.

1. Name of company: National Aluminum and Lead Manufacturing Company;
2. Name of factory: Door and Window Factory;
3. Location: Al-Marqab Municipality (al-Khums);
4. Type of product: Doors and windows;
5. Planned capacity: 1,500 m<sup>2</sup> per month (based on 3 shifts);
6. Number of producers needed to achieve planned capacity: 22;
7. Total cost of construction: 240,000 Libyan dinars;
8. Date of commencement of production: 1 September 1988. General observation: There are currently 15 producers.

1. Name of company: Al-Jabal al-Akhdar Cement and Building Materials Company, Darnah;
2. Name of Factory: Sanitary Materials Factory;
3. Location: Al-Jabal al-Akhdar Municipality (Shahhat);
4. Type of product: Sanitary products;
5. Planned capacity: 15 tons per day, 4,500 tons per year (1 shift per day), 8,000 tons per year (2 shifts per day);
6. Number of producers needed to achieve planned capacity: 50 producers;
7. Total cost of construction: 1 million dinars;
8. Date of commencement of production: 15 July 1988. General observation: Experimental operation began on 1 May 1988.

## OMAN

### Licenses for New Industrial Projects Issued

44000077 Muscat AL-WATAN in Arabic 28 Sep 88 p 4

[Text] An official source at the General Directorate for Industry in the Ministry of Commerce and Industry stated that three new projects were granted industrial licenses during the period 17-22 of the current month. These include: A project to manufacture ready-made clothes for export in the Ghala area. The investment cost of this project was 150,000 Omani riyals (OR); a project for the manufacture of women's shoes at Rawa, an investment of OR 19,850; and a project for the manufacture of various shoes in the al-Rusayl industrial region, requiring an investment of OR 95,760. Likewise, the General Directorate of Industry granted preliminary approval for seven new projects including :

A project to manufacture interlocking bricks and road blocks at an investment cost estimated by the economic feasibility study to be OR 574,000. The project is to be located in the Ghala region.

Another project in Ghala is under way to produce ready-made concrete at an investment cost estimated by the economic feasibility study to be OR 344,000 .

A project for packaging sugar and rice is being implemented in Ghala at an investment cost estimated by the economic feasibility study to be OR 95,734.

A preliminary approval was granted for a project to manufacture boilers at an investment cost estimated by an economic feasibility study to be OR 75,750 in the al-Uthaybah area.

In the Barka' area a preliminary approval was granted for an ironworks project. According to the economic feasibility study, the investment costs amounted to OR 11,300.



Two projects in Masirah province were granted preliminary approval. The first one is to manufacture bricks and the second for wood works. The investment cost amounted to OR 19,000 for the first project and OR 16,300 for the second.

Thus the investment cost for the projects that were granted industrial licenses totalled OR 260,610. The investment cost of projects that were granted preliminary approval amounted to OR 136,084. Therefore, the combined investment costs for the ten projects with licenses and with preliminary approvals amounted to OR 1,401,694.

### **Twenty Percent Of Al-Jazi Valley Dam Completed**

*44000076 Muscat AL-WATAN in Arabic 21 Sep 88 p 1*

[Text] Construction of the Al-Jazi Valley dam is now in progress according to a statement by engineer 'Abdallah Ibn Hamdan Ibn Sulayman, director general of the General Directorate of Irrigation of the Ministry of Agriculture and Fisheries. In a statement to AL-WATAN he said that the responsible elements have completed 20 percent of the construction so far. He went on to say that the company assigned to carry out the construction of the Ghawl Valley ground water feeder dam in the interior region has recently received orders from the ministry to begin work on the dam.

On the subject of proposed ground water feeder dams to be constructed in the Sultanate, the director general of irrigation said that the departments concerned in the ministry are currently drafting technical studies related to the feasibility of constructing a number of dams in various regions of the Sultanate. Some of the studies will be completed next year and the remainder of the studies will be completed at a later time.

Engineer 'Abdallah Ibn Hamdan said that the project of ground water feeder dams is considered among the pioneer projects that the Ministry of Agriculture and Fisheries has carried out to solve the problem of irrigation water and to prepare all the factors leading to meeting the irrigation requirements of existing agricultural areas as well as to provide for potential horizontal growth. He indicated that the dams recently put into operation are considered proof of the project's success since they functioned with high efficiency during rain-falls and stored a significant amount of water.

The director general of irrigation further said that the concerned departments in the ministry are now implementing a comprehensive field program in all agricultural regions involving the maintenance of wells and canals. He added that the maintenance operations are being performed with extreme precision and technical objectivity in order for these sources to perform the function assigned to them in serving the existing agricultural area.

## BANGLADESH

**Ershad: Foodgrain Stocks Adequate Until Harvest**  
*46001089 Dhaka THE BANGLADESH OBSERVER in English 10 Sep 88 pp 1, 8*

[Text] Mymensingh, 9 Sep—President Hussain Muhammad Ershad said here today that at present there was adequate quantity of foodgrains in the country to meet the requirements of the people till the harvesting of the next crop, reports BSS.

He said the Government had taken in hand agriculture rehabilitation programme in the affected areas under which farmers were being supplied with seeds and seedlings so that they could cultivate their lands after the recession of flood waters to make up the losses as far as possible.

The President, who came here to see the flood situation and relief operations going on in the district, was addressing a huge spontaneous public gathering at the Circuit House maidan.

An area of 1663 square kilometres in 11 upazilas under Mymensingh district has been affected by the current floods causing damage to crops on 86,000 hectares and other property.

The President was informed about the relief operations being undertaken in the district. One hundred forty-six relief camps have been set up in different parts of the district and medical teams comprising doctors and medical students have been working in the camps as well as other affected areas.

He was also informed that waters from most of the affected areas of the district have receded and the river old Brahmaputra at Mymensingh has been flowing 18 centimetres below danger level.

President Ershad said despite the havoc created by the current floods, the worst in the history of Bangladesh, the moral of the affected people was high and they had been facing the situation with courage and determination.

He said, "We have successfully faced floods, cyclones and other natural calamities in the past because of our high moral, if we can maintain this trend, Inshallah, we shall be able to overcome the situation this time as well as in future."

The President said the people, the administration and the army had been working together like in the past to face the current floods. Everyone, he said, had come forward and working shoulder to shoulder at this hour of need to face the challenge.

He said the Government had mobilised all available resources to mitigate the sufferings of the flood stricken people and once again proved that the nation was capable of facing any natural calamity unitedly.

President Ershad said finding our sincere and united efforts to face the situation, many countries of the world had extended their helping hands and since the Zia International Airport had now been opened, the emergency assistance would start arriving soon.

He said it was not the time to criticise but to work for mitigating the sufferings of the flood victims. He said a few Opposition leaders, who had been indulging in criticisms of the Government, should make efforts to extend help to the suffering humanity.

### Opposition Urged To Join United Move

The President hoped that these Opposition leaders would respond to his call to join the united move of the people in overcoming the situation.

He said there were 8,000 Government doctors but about three crore people have been affected. Although the number of doctors were limited yet orders had been issued to the Government doctors to take preventive and curative measures in the affected areas against diarrhoea and other water-borne diseases that might affect the people in flood-hit areas.

President Ershad urged the voluntary organisations to come forward with missionary zeal to supplement the Government efforts for saving the people, specially from diseases.

Earlier, addressing the district officials, the President said that the people of Bangladesh had proved that they belonged to one family by putting in their united efforts in facing the situation.

### Solution of Flood Problem

Referring to the solution of flood problem, he said Bangladesh had already urged the SAARC to convene a meeting of experts of the member states to determine the causes of floods and find out their remedies.

President Ershad said about 2.5 billion tons of silts were being deposited in the river beds of Bangladesh annually and it was not possible to remove such a huge quantity of silts by dredging alone to maintain the depth of the river systems of the country.

He said it was possible to keep some channels clear by dredging but it was not humanly possible to keep the whole river system of Bangladesh alright in the face of heavy siltation by dredging only. The cost involvement of dredging was also beyond our capacity, he pointed out.

The President said 'practical problems' were very difficult to solve but we cannot sit on this problem for long. He said Inshallah we shall find out a solution to the problem in near future.

President Ershad then visited relief camps set up at Mymensingh Laboratory High School and Police High School.

#### **Foreign Minister Asks Commonwealth Meet on Floods**

46001087 Dhaka *THE NEW NATION* in English  
15 Sep 88 pp 1, 8

[Text] Foreign Minister Humayun Rasheed Chowdhury yesterday urged the Commonwealth to appoint a group of experts and convene its meeting to determine the causes and effects of the calamitous floods that visit the Commonwealth countries in this part of the world.

In a communication to Commonwealth Secretary General Sridath S. Ramphal, he drew the attention of the Commonwealth to the gravity of the problems of natural disasters like floods in this region and urged that something should be done to prevent their recurrence.

The Foreign Minister addressed the communication with a sense of great urgency as the catastrophic floods this time are leaving a trail of devastation in this country.

Mr Chowdhury pointed out that President Ershad had highlighted the gravity of natural disasters, including floods, in the member nations during the Commonwealth heads of government meeting in Vancouver last year when he suggested a comprehensive solution to the problems of natural disaster. The heads of government had considered the subject as a matter of great concern and priority, the Foreign Minister recalled and urged the Commonwealth to take early action in the matter.

The Foreign Minister recalled that the heads of government had entrusted the Secretary General to consider the problem posed to the member countries by apparently growing incidence of natural disasters especially floods, and had asked him to convene a group of experts to examine the implications resulting from such disasters.

The Foreign Minister stressed on finding a lasting solution to the problem of recurrence of floods and hoped that the study once completed would provide a basis for the member-countries to draw policy decisions keeping in mind the possibility of evolving a comprehensive plan dealing with various geographical regions.

Mr Chowdhury gave a detailed account of the colossal destructions caused by the floods and expressed his confidence that initiative of the Secretary General would

evoke spontaneous response from the member-countries. He expressed Bangladesh's readiness to be included in the experts group and contribute in the light of experiences in the field.

#### **Indian Attitude on Bangladesh Flood Problem Scored**

46001086 Dhaka *THE NEW NATION* in English  
14 Sep 88 pp 1, 8

[Article by staff reporter]

[Text] Freedom party vice-chairman and parliament member Major (retd) Bazlul Huda yesterday bitterly criticised the Indian attitude regarding the flood problem of Bangladesh.

In a statement he said the responsibility of India behind the floods of Bangladesh was known to all and needed no mention. He said the unfriendly Indian attitude was again reflected in the BSF infringement in relief operation in the Bangladesh territories like Dahagram and Angarpota.

Maj (retd) Huda said it was regrettable that an independent nation of 110 million people had to become dependent on other nations even in case of maintaining communication with the rest of the world. He suggested to immediately upgrade the airport of Chittagong to an international airport.

#### **Imprisoned Bangladeshis Return From Burma**

46001082 Dhaka *THE NEW NATION* in English  
30 Aug 88 pp 1, 8

[Article by Nizam Ahmed]

[Text] Teknaf, 29 Aug—A group of Bangladeshis, who were among 2,000 people freed from a Burmese prison after anti-government demonstrations, arrived at this southeastern frontier town yesterday. They got themselves freed from Akyab Jail.

Mostafa Kamal, a resident of Pokkhali, Cox's Bazar, said there were 76 Bangladeshis including two women in Akyab Jail who made good their escape with rest of the prisoners.

He travelled with 52 others towards home after an overnight trip by a fishing boat on the Naf river that separates the two countries.

He said the women and several others were being looked after by Bangladesh Consulate in Akyab.

The Bangladeshis, all of them fishermen, had been detained by the Burmese Navy while they were fishing along the coast of Teknaf. Some of them were held up to two years, he added.

Mostafa Kamal told this correspondent that the Bangladesh Consulate despite being repeatedly informed about them by Akyab Jail authorities never took up their case.

We were simply forgotten until freedom came on Thursday after the Burmese prisoners rioted forcing the wardens to flee, he said. When police took over, they left six people shot dead and dozens wounded. However, enraged mobs from Akyab town raided the prison after hearing the news about the shooting and broke open the jail, he added.

Golap Jaan, a Burmese citizen who arrived at Teknaf from Maungdu town across the Naf on a day's visit, said that anti-government demonstrations sweeping Rangoon and other cities rolled into the countryside with authorities losing control in many places.

He said massive demonstrations demanding multi-party democracy and an end to socialist rule had been taking place at Akyab, Buthidong Rosidong and other towns.

Meanwhile, the Bangladeshi returnees who were taken into safe custody by BDR were handed over today to police. They are likely to be sent back to their respective homes after formalities, according to officials.

#### Thai Fishermen

AFP report from Bangkok says: Some 70 Thai fishermen have returned home saying they escaped during a mass jailbreak from a Burmese prison where they were being held for illegal fishing in Burmese waters, officials said yesterday.

The fishermen arrived Sunday in the southern port of Ranong aboard an old trawler along with 19 Burmese escaped prisoners and labourers, immigration officials said.

They were among some 600 people who escaped from Mergui prison on the Burmese coast Friday and more were expected to land in Thailand in the next few days, the officials added.

The fishermen had told immigration officials there were 106 Thai nationals in the prison before the breakout and that they believed others had escaped.

The Thai fishermen were being held for questioning and identity checks and the Burmese with them were being held for illegally entering Thailand, immigration officials said.

Most of them were in bad health, suffering skin disease, fever and malnutrition, officials said.

#### Paper Quotes VOA Correspondent's Remarks, Refutation

##### Rabi Khanna's Newcast

46001085 Dhaka THE BANGLADESH OBSERVER in English 12 Sep 88 pp 1, 8

[Text] Visiting Voice of America Correspondent Mr Rabi Khanna in a news commentary from Dhaka broadcast on Sunday stated that Bangladesh and World Bank jointly prepared a report on flood problem in Bangladesh 9 years back and forecast that a devastating flood would occur in Bangladesh affecting 70 percent of the country in 1988 and 1989.

The report recommended certain steps to prevent the flood and to hold water in the dry season for irrigation.

Mr Khanna claimed in his report that the experts said no concerted effort was made to implement those recommendations to face the flood. The experts also said that when Bangladesh was the part of Pakistan a Master Plan was drawn in 1961 to implement 51 projects for controlling floods and to provide irrigation facilities. But the experts said many of those projects have not yet been implemented.

The news review further stated that during the last 40 years Bangladesh was affected by 26 floods. The severest floods occurred in 1954 and 55. During that time also South Asia was rocked before the flood.

#### Indian Help Needed

The experts in Bangladesh feel that Indian cooperation was needed to control flood in Bangladesh. They felt that the origins of the 54 rivers of Bangladesh are in India and 80 percent of the flood water comes from India. The experts said that although some moves were taken to control flood through discussion in Joint River Commission, there was no fruitful cooperation between the leaders of the two countries.

They felt that the leaders of the neighbouring countries should address this gigantic problem with political sincerity and cooperation. President Ershad has called for concerted effort among the SAARC countries of which India is also a member to combat this menacing problem.

##### Water Board's Refutation

46001085 Dhaka THE BANGLADESH OBSERVER in English 13 Sep 88 pp 1, 8

[Text] Bangladesh Water Development Board in the following clarification has refuted the contents of a VOA Broadcast on forecast of the present flood about 9 years back, says a Press release.

The VOA newscast at 0730 hours on 11 September 1988 on the recent floods and quoted in the daily BANGLADESH OBSERVER on 12 September under the caption,

'Forecast Ignored?' has baffled the Government of Bangladesh in general and the Water Development Board in particular. The story appears to have been prepared without any basis.

In the first place, the report referred to in the story does not exist in the archives of its alleged authors namely Government of Bangladesh and World Bank nor any concerned staff of either of them is aware of a report making such forecast.

Secondly, the only known joint report prepared 9 years back as quoted in the story is the Joint Document of the Government of Bangladesh and the World Bank on Review of Bangladesh Water Development Board, dated April 1979. If this is the document implied in the story, there could not be a more acute example of prevarication. Because, this document which is existent, throughout its pages from beginning to end, recommends a shift in bias of Bangladesh Water Development Board efforts from deeply flooded areas to shallow or non-flooded areas, let alone prophecy of any catastrophe around 1988 or so. To dispel any further misgivings, an excerpt is made below:

Government of Bangladesh has continued to allocate the major share of available ADP water sector funds to major multi-purpose projects with emphasis on flood protection and drainage. The two-year plan of 1978/80 still allows only 6 percent of the Bangladesh Water Development Board's budget for smaller projects.

It is a matter of record that the joint report has not at all dealt with any eventual catastrophe nor advised the Government of Bangladesh anyway regarding this.

Above all, the despatch also refers to a Master Plan of 1961. In fact, the then Government has commissioned the General Consultant to erstwhile EPWAPDA to prepare a Master Plan which was accomplished in 1964 and popularly known as IECO Master Plan of 1964.

An IBRD Mission while reviewing this plan in 1966 opined that:

- a. The plan overestimated foodgrains requirement and underestimated production potential;
- b. the plan envisaged massive flood control works on mighty rivers with scanty data and studies; and
- c. the plan did not consider changes in river regimes due to development works in upstream reaches, etc., etc.

These opinions were, however, considered valid and rational and thus the plan could not be implemented in full.

## IRAN

### Millions Spent on Refugee Camps for Iraqi Kurds

46400002a Tehran ETTELA'AT in Persian  
19 Jul 88 p 4

[Text] Sanandaj—Since the beginning of the movement of Iraqi Kurds into Kurdistan Province, about 400 million rials have been spent on the host cities for the construction of infrastructures, health facilities and foodstuff.

Discussing the above during an interview with the IRNA reporter, the official in charge of providing supplies and support for Kurdish refugees from Iraq described the provision of services to the refugees and said: During the past 5 months since the movement of Iraqi Kurds into the Islamic Republic, about 30,000 natives of the city of Zur and the cities of Kharmal, Biareh, Tavileh and Halabcheh have been relocated in the host cities of Kurdistan Province.

He added: Up to now no measures have been spared for the welfare of the refugees. Electricity has been provided to all host cities, a potable water pipe network has been completed and in one host city of the province, 200 refugee children have been enrolled in a day care center.

The person in charge of providing supplies and support to the Kurdish refugees also said: Up to now, 100 million rials have been spent on moving the household furniture of the refugees. Also refugee shelters have been constructed in host cities at an approximate cost of 40 million rials.

He pointed out that all of the host cities have shops, department stores, administrative facilities, and in order to safeguard the health of the refugees, some 400 health service units have been established, and the construction of potable water pipelines, as well as sewage systems for all the settlements have been completed.

### Rehabilitation Center To Open In Hamadan

46400002b Tehran ETTELA'AT in Persian  
19 Jul 88 p 4

[Text] Hamadan—With the establishment of Hamadan's Rehabilitation Center for the Misguided of Society, all transient drug addicts, beggars, offenders and other misguided individuals of the province will be covered by the welfare, therapeutic, educational and training services of the Welfare Organization, and they will be rehabilitated.

In a discussion with the reporter of IRNA held on the occasion of the welfare week, the supervisor of the Welfare Organization of Hamadan said: This complex which is the first center for the rehabilitation of the country's misguided, will be inaugurated and run in this city during the current year.



He said: During the past 2 years, the construction activities of the project have moved forward considerably, with an expenditure amounting to approximately 400 million rials taken out of credits allotted to national plans. Also, this year the center will become operational by expending 300 million rials of the allocated credits

Reminding that most of the servicing and administrative routines of the center will be carried out by the workers of the center and through the direct management of the Welfare Ministry, he added: The 14,000 m<sup>2</sup> complex is situated on a 60-hectare plot of land and is furnished with complete amenities including dormitories, workshops, clinics, kitchens, bakeries and other necessary areas.

Describing the center's role in rehabilitating and re-educating the misguided, he then said: Those inmates who prove to have changed in spirit during their stay in this complex and have become rehabilitated, will be allowed to return to their families depending upon the wholesomeness of their living environment and the findings of a special committee.

In conclusion, the Hamadan Province Welfare Organization's supervisor mentioned the work of Malayer's home-for-the-elderly project saying: The construction of the project, which is situated on a 3-hectare plot of land, commenced this year with the allocation of the sum of 50 million rials in credits withdrawn from the funds subject to the note of Article 16 of the Budget Act. With the completion and operation of this home, the hardships of the handicapped and uncared for elderly in Hamadan Province will be removed.

At the end of the interview he described some of the activities of the Hamadan Province's Welfare Organization and pointed out that during the said period, more than 3.9 million rials in gratuitous pensions have been paid to needy families by this organization."

**Credit Offered by Banks To Increase**  
46400002c Tehran ETTELA'AT in Persian  
20 Jul 88 p 4

[Text] Mashhad—IRNA. Due to monetary policies implemented in 1367 [21 March 1988-20 March 1989] the proffering of credit facilitation within the overall banking network will grow by 6.5 percent compared with last year.

According to a report released by IRNA, this was revealed yesterday morning in Mashhad by Ghassemi the governor of the Central Bank of Iran and the director of the Supreme Council of Banks, during a three-day conference of export and provincial bank managers and directors of the country.

He said: Last year bank deposits by the private sector, grew by 20 percent, and also for the first time, interest-free loan deposits have enjoyed a growth of 11 percent.

He also said that all private deposits made during the first 2 months of the current year have grown by 3 percent.

Stipulating that if we fail to exercise correct management methods within the banking system, we will in fact have inflicted a blow upon the overall system of the Islamic Republic. He pointed out that in order to carefully supervise any infringements by banks, disciplinary boards will be established in banks throughout the country within the next 2 weeks.

According to the same report, during the conference the managing director of the Export Bank of Iran describing the activities of the provincial banks nationwide, said: Last year 148 billion rials in interest-free loans, in approximately 282,000 allotments, were paid to the rural industries sector, for the establishment of industrial workshops, as well as to production and various other sectors scattered throughout the nation.

Pointing out that the total amount of deposits for the nation's export banking network came to 2.39 billion rials, i.e., showing an increase of more than 26 percent, he pointed out that from the beginning of the Islamic banking operations until the end of last year, 19 million interest-free savings accounts have been opened by the people, which encompass a figure of approximately 400 billion rials.

The same report indicates that the conference of the Provincial and Export Banks of Iran commenced its work yesterday morning, in Mashhad with the participation of the members of the board of directors, managers and the responsible officials of the Export Bank of Iran and the provincial banks throughout the country. During the three-day conference, the directors and other officials of the Export Bank of Iran will study their problems and difficulties, within various committees, including the committee on attracting and channeling of low-rate deposits, the committee on studying and improving the proffering of facilities in Islamic banking, the committee on studying administrative and personnel difficulties, and the committee on solving the difficulties of provincial banks in relation to the Export Bank of Iran.

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